Daily Report

Latin America

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Paraguay

Asuncion TV on 5 November reports that President Rodriguez "this morning signed a decree according to which General Eumelio Bernal is appointed defense minister," replacing Brigadier General Angel Souto, who will become the new ambassador to Spain.

Venezuela

In a live speech broadcast by Caracas radio and television, President Perez rejected the Senate's proposal to hold a referendum on his serving out his term, saying this "openly violates the Constitution" and adding, "I must deeply deplore this deviation by the Senate."

Cuba

Reaction To Clinton's U.S. Presidential Win Noted

Foreign Minister Comments

PA0511022992 Havana Radio Havana Cuba in Spanish 0102 GMT 5 Nov 92

[Text] Cuban Foreign Minister Ricardo Alarcon said in Caracas on 4 November that the U.S. policy against Cuba has failed and that the current or following U.S. Administration will have to change it. Upon arriving on an official visit to Venezuela, the Cuban foreign minister said it will be necessary to wait to see the actions of Bill Clinton, the recently elected U.S. President, who has the opportunity to change Washington's atavistic policy toward Cuba.

Alarcon added that Cuba's only condition for negotiations with the U.S. Government is that they be held with equality and respect between both countries. He predicted that the Torricelli Bill to strengthen the U.S. blockade of the island will be a failure and stressed that it is inconceivable that the entire world will accept that the United States legislate for it.

The Cuban foreign minister added that the best response Latin America can give to Washington's harassment policy against Cuba is to continue to maintain the current cordial relations between the Caribbean island and most of the countries in the continent. Alarcon will be received by Venezuelan President Carlos Andres Perez, Foreign Minister Fernando Ochoa Antich, and other personalities in Venezuela.

Clinton 'Will Not Make Any Difference'

PA0511034792 Havana Radio Havana Cuba in Spanish 0100 GMT 5 Nov 92

["Our America" commentary by Manolo Ortega]

[Text] Beginning in January 1993, the United States will have a new president: the Democrat William Clinton, who defeated incumbent George Bush in the 3 November elections. In the United States, the days prior to the elections were logically front page news—statements, speeches by the candidates, the results of the polls, election promises. However, from now on, all the U.S. people will have left to do is to observe the actions of the Democrats, to see if they are able to pull the United States out of the economic crisis in which—with its ups and downs—it has been submerged during the past 12 years of Republican government.

The U.S. people also will have to see if the Clinton administration will bring any improvements to the grave social ills being faced by the minorities, who are part of the majority in U.S. society. In sum, these are the things that the U.S. people will be watching with regard to their new president. What can the peoples of our America expect from the presidential change? Very little or nothing, if one takes into account that—apart from minor differences—history shows us that the important factor in the relations between the United States and Latin America is not the president. It does not matter if the resident of the White House is a Republican or a Democrat. Whoever occupies the presidential seat can only color, or impart a certain tint to Washington's policy toward Latin America, because the essence of this relationship lies in the plans of the large U.S. economic interests.

One would have to ask oneself if President Clinton will do away with the protectionist policies that the United States maintains in the economic sphere. Or will he put an end to the unequal exchange; that is, will U.S. products continue to have a hefty price tag while Latin American products are sold for a song? One would have to see if William Clinton decides to use his influence on the IMF for it to stop demanding that Latin American governments implement unpopular readjustment policies as a condition for the granting of credit. Or will Bill Clinton help resolve the eternal foreign debt of the Latin American countries? Will the new U.S. president renounce the policy of absolute dominion over others that grants the United States the divine right to intervene, in one way or another, in the internal affairs of the countries of the region?

Bush or Clinton? This will not make any difference to Latin America, because our neighbor to the north will continue to be the same.

Havana Radio Criticizes Bush

FL0411154792 Havana Radio Rebelde Network in Spanish 1255 GMT 4 Nov 92

["Our Opinion" commentary by Orlando Contreras; monitored in progress]

[Text] ....They obtained documents that proved that he was perfectly aware of what is known as—in publicity terms—the Iran Contra Scandal, which was carried out by the Central Intelligence Agency. He lied when, before the massacre of the Persian Gulf, he denied that the United States had sent weapons to Iraq. The Abrams tanks that were seen on television, throughout the world, as they entered Kuwait, together with Soviet tanks, are an inconsistency that is difficult to ignore.

He lied on many occasions. He made attacks on our country an obsessive issue, motivated by obstinate defiance. To that defiance, Bush added arrogance. He said he would be the first U.S. President to tour the streets of Havana as a revived Leonard Wood. On the other hand, the truth is that today he will begin a tour of the latrine of history. Bush's failure made him the fourth U.S. president in the last century not to be reelected to a second term, even though when he started his campaign, he had a majority of support, which was boosted by the chauvinist hysteria generated from the slaughter in the

Persian Gulf. This slaughter was not the only one. The Panamanian invasion left a death toll that is still unknown.

Bush's failure in internal affairs also explains his shameful and humiliating defeat. The United States continues to have a budget deficit, hitherto unheard-of in any country in the world. Today the United States is the most indebted country in the world. If every citizen of the United States had to help to pay for the external debt, each would have to pay $16,000, newborn babies included.

Unemployment affects almost 10 million U.S. citizens. The U.S. public health system is a disgrace for a wealthy country. More than 40 million Americans have no type of coverage in case of an illness. There are 15 million drug addicts. One hundred and seventy five thousand people have died of AIDS. Half a million people, that we know of, are serum positive, or in other words are carriers of the HIV virus. Out of all the cocaine consumers in the world, 70 percent are in the United States. Criminal violence has turned the cities of that country into a scene of war. In one year, 2 million crimes are committed. The number one cause of death among American youths, between the ages of 15 and 19, is murder.

Racial discrimination continues to grow. Unemployed black youths double the number of unemployed white youths. Blacks make up 12 percent of the U.S. population and 45 percent of the prison population. It is a shameful fact. The first black woman to reach the senate in the history of the United States was elected in Illinois. Her name is Carol Moseley Braun and she is a Democrat. She is the first black woman to reach the Capitol Building in the history of that country.

Bush's defeat is the failure of an incompetent, a mediocre overflowing with defiance and full of ideas that are outdated, old, and taken from history's dump.

GRANMA Calls Defeat 'Humiliating'

PA0411214892 Paris AFP in Spanish 2023 GMT 4 Nov 92

[Text] Havana, 4 Nov (AFP)—The front page of the 4 November edition of the official newspaper GRANMA states: "George Bush was defeated in the U.S. elections." According to observers, this represents the Cuban authorities' first reaction to the election results in the neighboring northern nation.

GRANMA mentioned the future U.S. president only in the subtitle of the article, without using the nickname by which he is popularly known. Bush "was amply surpassed by his rival, William Clinton" it indicated.[Havana Radio in Spanish at 0007 GMT on 5 November in a similar report adds: "The newspaper emphasized that Bush had been overwhelmingly defeated in the U.S. indirect voting system as the current White House resident obtained much less than the 270 electoral votes needed for election."]

The text of the information published by the newspaper of the Communist Party of Cuba says the defeat of the candidate who sought reelection was "humiliating."

Cuban Vice Foreign Minister Ramon Sanchez Parodi told AFP that Bush "has a long history of aggressiveness against us." Sanchez Parodi refused to predict that, as president, Clinton will necessarily revert Washington's hostility toward the Cuban Government. "We do not expect that," he indicated. "Our analysis of the situation in the United States bears in mind that Washington is bipartisan and it also bears in mind the consensus that prevails among groups in power—to continue the policy of anti-Cuban aggressiveness," he added.

Nevertheless, diplomatic sources and observers in Havana consider it possible that, although not in the short term, the future U.S. administration will view the "Cuban issue" from a different perspective than President Bush.

The "Torricelli law," approved by legislators from the two political parties to strengthen the anti-Castro embargo, poses a difficult situation for the next U.S. administration with hemispheric nations interested in the Cuban trade—Canada, Mexico, Venezuela, Colombia, Argentina, Uruguay, or Chile; not to mention the EEC, which adopted a clear position of displeasure and rejected the law.

The opinion prevailing among the people in Havana is one of relief about Bush's failure to win another presidential term rather than about Clinton's victory.

"Fidel (Castro) can now relax a bit," said a retiree early today when he learned about the U.S. election results.

Tank Unit Maneuvers Scheduled for Western Region

FL0511023092 Havana Radio Rebelde Network in Spanish 0000 GMT 5 Nov 92

[Report by Rolando Almirante on the "Exclusive" program]

[Text] As we learned today during a tour of the training grounds led by Brigadier Generals Raul Fernandez Marrero and (Ermi Hernandez Rodriguez), tactical maneuvers for tank units will take place in the western region of the country in December. The commission, which spent more than half the day specifying details of the terrain where the tactical exercises should be carried out, also identified objectives to be achieved by performing this important mission in peacetime. These include verifying the level of readiness of our tank units, demonstrating the knowledge and training of the participating personnel, and verifying how to hold this kind of exercise with a minimum of resources.

Joint operations with other branches such as the Air Force will also be attempted on the terrain. Regarding this subject, I asked for a statement from Lieutenant Colonel Luis Raul Perez, who is organizing the exercises for the DAAFAR [Antiaircraft Defense and Revolutionary Air Force].

[Begin Perez recording] In principle, the Air Force has among its primary tasks.... [pauses] In addition to fighting the enemy in the air, which is the major task, we also support the other branches of the armed forces, such as the Navy and the ground troops. In the case of these upcoming maneuvers, we are going to support the troops both in the battalion's offensive and in the fight against a beach landing which is to be started by the enemy. So from the point of view.... [pauses] The personnel, both in the air and at sea, will maintain a high skill level by demonstrating their combat training in practice. [end recording]

As you can appreciate, these maneuvers will be carried out under conditions very similar to those of a real battle. They will thus include combat firing. The main participants will be the combatants of Military Unit No. 1011, who are now busy with intensive training to ensure the success of their mission.

ATAC Discusses Sugar Harvest Tasks at Congress

FL0511031092 Havana Radio Rebelde Network in Spanish 0000 GMT 5 Nov 92

[Text] At 1100 today in Santiago de Cuba, the 46th Congress of the Cuban Association of Sugar Technicians [ATAC] began with the presence of Esteban Lazo Hernandez, a member of the Politburo of the Communist Party of Cuba [PCC] and PCC first secretary in Santiago de Cuba Province.

They announced in the opening ceremony that in the 65 years of this association's existence, this is the first time a congress has been held outside Havana. The site could not have been more important, because the plenum was held in an improvised auditorium in the roofed approach to the entrance to the theater in Santiago de Cuba. The scenery was the mountains and the fresh air that flows through this part of the theater's entrance.

Cane production and how the work should be done in order to obtain the maximum sugar yields was the main topic of today's debates. The idea of working to finish the harvest as early as possible in April was also discussed. Many opinions were expressed about this.

[Begin unidentified delegate recording] I think it is always right to try to finish as early as possible in April. That is the best. However, there are regions, for example, the northeastern region, where often—often but not always—the rain does not allow us to begin before January, even. Therefore, I think as a personal opinion, that this aspect as a general rule should be dealt with, and that it be considered or reconsidered, in view of the conditions of those regions where the weather does not allow us to begin early enough to finish in April. It should be examined, and .... [pauses] because sometimes that situation could make for very unpleasant inefficiencies, like the ones that would cause us to still be harvesting in May or June. [end recording]

The delegate specifically referred to the northern regions of Holguin, Las Tunas, and Camaguey Provinces where, as our listeners know, there is considerable drought at this time. There are, however, other factors—including fluctuations in the work force—that affect sugar production and efficiency.

[Begin unidentified delegate recording] What they accept [words indistinct] importance where the workers' and technicians' retention time is not even one full harvest. This, as you know, affects what is called the feeling of belonging. Without the workers' feeling that they belong to the camp, we cannot hope to have technical discipline in other (?matters) [words indistinct]. [end recording]

It was reported here at the congress that there are 45 sugar refineries that have high levels of work force fluctuations—greater than 15 percent—mainly in Ciego de Avila and Camaguey Provinces. Other topics discussed were the sugar refineries start-up schedule, the quality of the raw material, and the training of the work force, not just the workers but also the union and management officials.

The Bahamas

Prime Minister Ingraham Rules Out Tax Increases

FL0411170192 Bridgetown CANA in English 1642 GMT 4 Nov 92

[By Reudon Eversley]

[Text] Bridgetown, Barbados, Nov 4, CANA—Ahead of his administration's first budget presentation next week, new Bahamas Prime Minister Hubert Ingraham has ruled out tax increases as a way of solving a financial crisis in which the government is having difficulty paying some bills.

"We are convinced that there is adequacy for revenue to meet legitimate, reasonable expenditure of the Bahamas through the various tax measures currently on the books," Ingraham told CANA during a brief visit here.

"We do not see the need for the time being to either increase taxes or add additional taxes. We think that an even-handed, consistent approach towards the collection of taxes due would produce sufficient revenue to take care of legitimate and essential expenditure."

Ingraham's Free National Movement (FNM) administration, voted into office for the first time in August 19 elections, will present a six-month budget next

Wednesday [11 November] to cover the period of January to June 1993. Ingraham, who is finance minister, said the six month budget was to lay the groundwork for a change in the Bahamas' fiscal year which would begin on July 1 and end on June 30. Currently, the fiscal year runs from January 1 to December 31.

"The six month period—January to June next year—is going to put us in a position to have a better feel for what the deficiencies are and to be able to introduce our first full 12 month budget next year June," he said.

Ingraham blamed the current financial crisis on deficits which the former government had built up over the years as well as wastage. He said his government's goal was to have a balanced recurrent budget. Emphasis will be placed on improving the efficiency of revenue collection.

Ingraham, who was scheduled to leave for home Wednesday, stopped off here after attending last week's special summit of Caribbean Community (Caricom) leaders in Trinidad. He met Barbados Prime Minister Erskine Sandiford and opposition leader Henry Forde Wednesday. A government statement said he discussed with Sandiford the possibility of Barbados and the Bahamas sharing diplomatic and trade representation overseas. Both leaders also agreed to pay reciprocal official visits to their countries at mutually convenient times.

In the wide-ranging interview, Ingraham promised his government would be more forthright in its dealings with Caricom. He said the Bahamas would continue to participate in the regional integration movement but saw no advantage in joining the common market because the Bahamas was not a major producer and exporter of manufactured goods.

But he added: "There is the opportunity for the Bahamas to increase trade with other Caricom countries by buying goods produced in Caricom and.... If I have a preference as to where I spend it, I'll be happy to spend it in Caricom countries."

Ingraham said the Bahamas could not support a proposal before Caricom for free movement of people within the community. He promised, however, that in the recruitment of skilled people, his government would first look to Caricom which he said would represent "a major shift in policy."

Ingraham also said while the Bahamas was not interested in participating in a proposed single Caricom currency because of the parity of the Bahamas dollar with the U.S. dollar, he did not see "any reason why it is not possible to develop a mechanism whereby there can be convertibility of other Caribbean countries' currencies in the Bahamas."

Dominican Republic

Government Station Comments on Clinton Victory

FL0411201092 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 4 Nov 92

[Station editorial]

[Text] William Clinton has just won the U.S. general elections, and the American people's massive vote in his favor will give rise to changes. There will be changes because Republicans and Democrats differ somewhat in the way they see international problems, and in their concepts of the state and private economies. There will be changes because the situation the United States is facing, given the astronomical debt it has contracted, should lead to changes in the government's guidelines. There will be changes because at the end of the so-called Cold War, new types of commitments are cropping up that require new approaches in the international sphere.

We have pointed out again and again that in the world's large nations, the work of the government does not depend exclusively on the supreme will of a head of government, but rather, on the dictates and considerations of his teams. The Republican and Democratic working teams surely have the same patriotic motivation and are similarly dedicated to defending the United States' best interests. Yet there are marked differences of form regarding how to handle the serious problems of the times. This is natural if one understands that in genuine democracies, power is exercised based on different outlooks.

The U.S. election results marking a sweeping victory for Bill Clinton open up new prospects for the Third World nations. Perhaps new rules of the game will be laid down on this front. The result for Latin America could be quicker, more inevitable, regional integration; more successful formation of economic blocs; and the birth of unity, which has become urgent.

The United States has urgent calls to attend to in Europe and the Near and Far East. Its world leadership is mandatory, especially in areas that are critical and full of unrest. Perhaps, in the times of confrontation that one can see coming, Latin America will not mean so much to the architects of the new policy that is going to be designed in the White House and the State Department [preceding two words in English].

In the last few hours, we have watched an election process put an end to a prolonged Republican mandate of 12 consecutive years in the United States, and we have seen the beginning of a Democratic presence. Let us trust that the changes that are going to take place in Washington will not affect the beneficial development of our economic and financial relations with that great sister nation.

The ideal is to strengthen exchanges that will favor, in an equal manner, two nations which are necessarily linked in their search for a better future.

Vice President on Integration With Caricom

FL0511175392 Santo Domingo Radio-Television Dominicana Radio Network in Spanish 1600 GMT 5 Nov 92

[Text] The vice president of the Republic has announced that the countries of the common market of the Caribbean Community [Caricom] and Central America are interested in having the Dominican Republic be part of various economic and trade blocs that they are going to form at the regional level. Vice President Carlos Morales Troncoso, who is an engineer, said that those nations are at present opening up toward the Dominican Republic, and he attributed great importance to this integration.

Morales Troncoso, who represented President Joaquin Balaguer at the meeting of heads of state of the 13 Caricom countries held in Port-of-Spain, Trinidad, said that there is now talk of forming an Association of Caribbean States within the new integrationist plan that exists not only for the free trade agreements, but also for exchanges both bilateral and multilateral.

Haiti

Government Signs Coffee Promotion Agreement

FL3010224292 Port-au-Prince Radio Metropole in French 1700 GMT 30 Oct 92

[Excerpt] The government has signed an agreement with the Association of Coffee Producers and the Association of Agricultural Producers to rejuvenate coffee production. This agreement creates an institute for the promotion of coffee and cocoa in Haiti. Rothschild has the following report:

[Begin recording] [Rothschild] The consensus government intends to take an active role in national coffee production, an industry that has been ailing for the past several years. Prime Minister Marc L. Bazin signed at the National Palace an accord with the Association of Coffee Exporters, the Association of Coffee Cooperatives of Haiti, and the Association of Agricultural Producers (APA). With this agreement, the government hopes to relaunch the production of coffee and cocoa and to improve coffee quality for the benefit of the entire population.

The agreement provides for the creation of a national committee for the promotion of coffee and cocoa. The second step will be the creation of the Haitian Institute for the Promotion of Coffee and Cocoa, comprising representatives of the concerned sectors: producers, speculators, and exporters. The institute will also have the mission of promoting relations between [word indistinct]. A pilot program will be launched on the coffee plantations in Don-Don and Tiot. This 36-million-gourde project will constitute a partnership between the Haitian state and groups working in coffee production. The state hopes to show the first positive results of the program in about three years; it is calculated to produce revenues of $7 million.

The consensus prime minister, on signing the agreement on 29 October, pointed out that it represented a new step for the government in its efforts to assure a better life for the Haitian people. Bazin also indicated that his government remained convinced that the path to follow toward solving the nation's problems was dialogue in the nation's interests. The head of the government also recalled the important role of coffee in the national economy.

Marc Bazin defines this project of rejuvenating coffee production as a necessity for the country.

[Bazin, in Creole] The goal of the agreement is to increase coffee production and improve the quality of coffee. Everyone here has made an equal commitment, without distinction between those who have money and those who do not, rich or poor, with no difference of ideological adherence. All have one common interest: to save coffee, a product now in distress. One million people's survival in this country depends on coffee.

The basis of the agreement is a pilot program designed to relaunch coffee production on 2,000 hectares in Tiot and Don-Don. We hope that through the pilot program we will increase production to 1,200 kilograms per hectare in Tiot and to 300 kilograms per hectare in Don-Don. We hope to increase peasant income. We will stabilize the volume of coffee exports and we will help the peasant, with improved income, to gain access to bank credits. The government says: With or without the embargo, hang on, do not give up.

[Rothschild] The president of the Association of Coffee Exporters termed this effort by the government positive. Ronald Madsen says increased coffee production will be a good thing for the country. [passage omitted] [end recording]

Senate Office Dissolution Issue Unresolved

FL2910184292 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 29 Oct 92

[Report on 28 October Senate session; italicized passages in French]

[Excerpts] After 12 hours of debates in two sessions, the Senate assembly has not yet reached a decision on the dissolution of the current Senate office because the two political blocs—the National Front for Change and Democracy Parliamentary Bloc, BP-FNCD; and the Alliance for Parliamentary Cohesion, ACP—cannot agree. Yesterday's session was suspended and will resume today. This was at the suggestion of Sen. Rony Mondestin's response to a proposal by Senate doyen Franher

Jean-Baptiste that the BP-FNCD form a committee to discuss a possible reshuffle of the composition of the current Senate office.

Supported by a majority of senators, Southeastern Sen. Franher Jean-Baptiste's idea is that the best way to resolve the Senate crisis is for the BP-FNCD and its allies who are asking for the dissolution of the office, to form a committee to negotiate with the office for a solution. Even though he did not want to get into the details, Sen. Jean-Baptiste found several irregularities in the method used by the BP-FNCD to get the office to step down.

The Senate is divided into two blocs: The APC and the BP-FNCD. Sen. Jean-Baptiste thinks this situation will result in an inevitable break-up of the Senate and destruction of the country.

[Begin recording] [Jean-Baptiste recording] *We have almost reached the end of a term. According to the Constitution, one third of the senators must leave and elections must be held. Criticisms have been levelled at the office, some of which appear valid. My professional education obliges me to....*

[Unidentified reporter] It was Southern Sen. Franher Jean- Baptiste who ended, who was supposed to end yesterday's session, which has been postponed to today. [passage omitted].

[Jean-Baptiste] *My professional education [as a lawyer] obliges me—when I have to present a text—to read it, to read it again, and to read it several times to understand its meaning and its impact because it always seemed to me in my long career as a lawyer—45 years of practice—that texts are never understood and never read. [words indistinct] I do not criticize the attitude of those who —perhaps legitimately—presented a list, a petition, as they and the press call ..., while quoting Article 93-3. Article 93-3 does not speak of petition. One must learn to respect texts. [passage omitted] Gentlemen, we are losing the country. You see only your own interests. You speak only for yourselves while you pretend to speak in the name of the people. I will no longer join with you because you are not in truth.*

[Reporter] A technical problem prevents us from continuing to listen to Sen. Jean-Baptiste on his thoughts about the division in the Senate of the Republic. The question now being raised which does not yet have an answer is: Will the BP-FNCD, after consideration, accept the idea of a committee?

This division crisis began on 16 September when the BP-FNCD presented a petition, in a session in camera, requesting the departure of the office, signed by 11 senators. Sen. Dejean Belizaire said on that date that he would not accept the petition because the other members of the office were not present. In addition, according to statements by some senators who attended the session in camera, there were not 14 senators present to form the quorum, which prompted Sen. Dejean Belizaire to consider the 16 September session an informal meeting.

The ACP uses these statements to question the form of the office replacement request which they say does not respect the Constitution and the internal rules of the Senate. The BP-FNCD, which denies these accusations, always says that the form of the petition is in compliance with (the norms of) the internal rules and the country's Constitution. Whereas the Constitution provides for two years as the duration of the mandate of the office of the Senate, where elections for a new office must be held every time one third of the Senate is renewed, the internal rules provide for the procedure to overthrow a member of, or the entire, office.

According to Articles 9-1, 9-3, and 12-1 [not specified whether Constitution or Senate internal rules], to dissolve the office of the Senate, two thirds of the senators present in a session must support that request with just cause. The cause presented by the BP-FNCD include the office's prevention of a return to constitutional order, participation in corruption, and mismanagement of the administration of the Senate of the Republic. [passage omitted] [end recording]

Jamaica

Reaction to Clinton's Presidential Victory Noted

Patterson Congratulates Clinton

FL0511013392 Bridgetown CANA in English 2255 GMT 4 Nov 92

[Text] Kingston, Jamaica, Nov 4, CANA—Jamaica's prime minister, P.J. Patterson, on Wednesday [4 November] expressed confidence of continued good relations between Kingston and Washington after Bill Clinton takes over as U.S. president next January.

In a statement issued here, Patterson noted that Jamaica and the United States have shared a special relationship "based on mutual cooperation in a wide range of economic and cultural areas."

"I am confident that during your term of office, the excellent relations which exist between our two countries will continue as we pursue the furtherance of our bilateral relations and hemispheric cooperation to the mutual benefit our peoples," Patterson said in a message to Clinton.

Minister Ponders Trade Accord's Future

FL0411190492 Bridgetown CANA in English 1849 GMT 4 Nov 92

[Text] Kingston, Jamaica, Nov 4, CANA—Any success by Bill Clinton in reviving the U.S. economy would be good for Jamaica, but the island's opposition leader,

Edward Seaga, has suggested that the U.S. president-elect will have a challenging job in maintaining the momentum.

"A stronger American economy will benefit Jamaica and, indeed, the world," said Seaga in response to Clinton's defeat Tuesday [3 November] of the incumbent George Bush, in the U.S. presidential election.

The United States is Jamaica's major trading partner and the biggest market for the island's key tourism industry. But the U.S. recession had hit the island hard, staunching the flow of tourists and affecting earnings.

Clinton, who will be the first democrat to occupy the White House for a dozen years, said his election was a mandate to deal with America's economic problems.

"The challenge to be faced by the new president is not whether he can improve the economy in the short term, but whether he can maintain the momentum over the longer-term," Seaga said.

Prime Minister P.J. Patterson, has not yet publicly responded to the Clinton victory, and the foreign minister, David Coore, hedged when he spoke on radio early Wednesday. However, Coore did underline a Jamaican preoccupation—how a Clinton presidency will respond the North America Free Trade Agreement (NAFTA). The foreign minister noted that while expressing general support for NAFTA Clinton has said that he will revisit the agreement out of concern to protect American jobs. Coore, like other analysts here, suggested that this might provide some benefit for Jamaica and the rest of the Caribbean, concerned with preserving preferential trade arrangements which would be diluted under NAFTA.

Editorial Questions Future

FL0411161292 Bridgetown CANA in English 1542 GMT 4 Nov 92

[Text] Kingston, Jamaica, Nov 4, CANA—Following is the text of the editorial in Wednesday's [4 November] DAILY GLEANER newspaper:

After the twists and turns of one of the most hard-fought presidential elections in recent times, the American people yesterday went to the polls and decided that it was time for a change. The final result shows that the Democratic candidate, Governor Bill Clinton, of Arkansas, will be the new man in the White House, directing U.S. policies and programmes from the famous Oval Office from January when the change-over takes place.

For us in Jamaica, the election has been of more than ordinary interest. The trend of recent Republican politics, as enunciated by President Reagan and carried on to some extent by President Bush, has been to be somewhat outward-looking with special regard to the hemisphere: and Jamaica, in common with the Caribbean, has benefited from improved trade relations with the United States.

The Caribbean Basin Initiative has opened the U.S. market to certain categories of regional exports, and those countries which have taken advantage of this new facility have seen an improvement in their economic condition. The North American Free Trade Agreement, more recently brought into force, also holds out the promise of more access to the American market for the Caribbean and Latin America.

What has to be watched, with some care, is how the new administration in the U.S., will regard trading relations with the region. During the election campaign, Governor Clinton placed heavy emphasis on restoring the U.S. economy to good health, and his rhetoric rather suggested a more inward-looking posture than that adopted by President Bush.

There cannot, of course, be any return to the "splendid isolation" which once was the cornerstone of American foreign policy. Certainly, the new leader of what is still the world's greatest nation will not want to appear to be turning back the clock. But there is a sign, no larger than the proverbial man's hand, that a sort of "America first" policy might be in the making, with less than favourable consequences for the outside world.

But let us not be pessimistic at this stage. It is far too early to say what the new U.S. president might do, or what policy he might adopt. What is said on the campaign trail, in the heat of the [word indistinct], might disappear when the reality of victory—and of responsibility—takes hold. For the present, let us wish the new president a successful term of office—one that will prove of benefit not only to his own country but to those who have come to look to the United States for leadership, friendship, and help.

Minister on Trade, Foreign Policy Under Clinton

FL0411191592 Bridgetown CANA in English 1901 GMT 4 Nov 92

[Text] Port of Spain, Trinidad, Nov 4, CANA—Trinidad and Tobago is hoping to have continued trade cooperation with the United States, the country's largest trading partner, and, if possible, special trading arrangements with the incoming Clinton administration. Democrat Bill Clinton Tuesday [3 November] won the U.S. presidential election, decisively beating his Republican opponent, President George Bush.

"Increased trade with the United States would always be a welcome thing for Trinidad and Tobago and many, many other countries like ours that need this trade," Trinidad and Tobago's Foreign Affairs Minister Ralph Maraj told CANA.

"We all seek to revitalise our economies at this point in time and we are going to be pursuing as vigorously as possible our own direction and I'm sure the new administration is going to be as sympathetic and co-operative as the previous one...."

Stating that the relationship between the Bush administration and Trinidad and Tobago was "very good," Maraj said he expected this to continue with the new administration. He also said Trinidad and Tobago was willing to enter whatever special arrangements with the United States under the proposed North American Free Trade Agreement (NAFTA).

"The United States is such an important trading partner, such an important ally to all of us in the Caribbean, that if it is possible in any way to secure some kind of special relationship with the United States...., I'm sure we would take advantage of that," he said.

The Trinidad foreign affairs minister took the view that United States foreign policy towards the Caribbean would not change under the Clinton administration.

"It's early days yet (but) one does not get the impression that there is going to be any significant shift in terms of their foreign policy with respect to the Caribbean area but we would wait to see what really is the position," he said.

"While the economy of the United States would capture the attention of the new administration, and that they would need to focus a lot on, the fact remains that the United States in its relations with the world would have to continue to conduct as vigorous a foreign policy as it did in the past."

Trinidad and Tobago

Opposition Leader Criticizes Caricom Meeting

FL0311180792 Bridgetown CANA in English 1749 GMT 3 Nov 92

[Text] Port-of-Spain, Trinidad, Nov 3, CANA—Trinidad and Tobago's opposition leader Basdeo Panday, has criticised the recently concluded special meeting of Caribbean Community (Caricom) leaders, stating that the wrong issues were addressed.

"I do not think the issue is any longer whether Caricom can survive as Caricom.

"Because of trends that are taking place where megablocs are being formed, the leaders ought to be wondering whether Caricom as presently constituted is relevant at this time," the leader of the United National Congress told CANA.

"The major issue here is not how to deepen the integration, but how to negotiate our way into NAFTA (the North American Free Trade Agreement) which has come to our doorsteps, while the leaders were asleep."

The 13 leaders met in Trinidad and Tobago last week to consider the recommendations of the West Indian Commission's report, "Time for Action," and proposals for a new Common External Tariff. At the end of the four-day meeting, the leaders agreed to pursue as a matter of high priority the possibility of negotiating as a group a common position for entry into NAFTA under arrangements whereby benefits under the Caribbean Basin Initiative (CBI) would be maintained.

The leaders also agreed that negotiations with NAFTA be conducted on a regional basis and that every effort be made to ensure that the region obtained the same concessions as Mexico, but without reciprocity. But Panday said the leaders were making a half-hearted attempt to have some dealings with NAFTA and were not being serious about it since no time-frame was given.

"All they're concerned about is a nice-sounding communique," he added.

Stating that the regional leaders were attempting to fulfill a 20-year old dream, Panday said the member states during that time were unable to have free movement of labour, capital, and goods. "They have failed to develop a single market economy, they have failed to rationalise productivity in the region to enable them to take advantage of special arrangements under Caribcan [Caribbean Canada], Lome, and CBI. "So that to pursue those dreams now, is no longer relevant, having regard to what has taken place on our doorsteps while they were sleeping," said the former foreign affairs minister.

Panday said the leaders over the years had also demonstrated a lacklustre attempt at integration.

"Now that that's no longer relevant, its time for action, but action in NAFTA."

Reaction to Clinton's Presidential Victory Noted

Salinas Anticipates 'Bright Future'

PA0411142592 Mexico City NOTIMEX in Spanish 0613 GMT 4 Nov 92

[Text] Mexico City, 3 Nov (NOTIMEX)—On the night of 3 November, Mexican President Carlos Salinas de Gortari sent a message to Arkansas Senator William Clinton congratulating him for winning the U.S. presidential elections.

Salinas congratulated Clinton warmly for his victory and expressed the Mexican Government's great appreciation for Clinton's recognition of the changes that have taken place in Mexico in the past few years.

Salinas underlined the points of agreement with Clinton over important aspects of bilateral relations—particularly trade—immigration, border cooperation, finance, and the fight against drug trafficking. The Mexican president pointed out the two countries' affinities in assessing important aspects of the international situation.

Salinas also said the contacts between members of the Mexican Government and Clinton's team will make it possible to anticipate a bright future for the relations between the two countries.

In addition, Salinas sent a warm message to President George Bush expressing recognition for the progress attained in the understanding and rapprochement between the two nations. Salinas said this rapprochement occurred in a constructive spirit of respect and friendship during the past four years. He finally expressed to President Bush his best wishes for his personal and his family's success.

Official Rules out NAFTA Renegotiation

PA0511035692 Mexico City XHTV Television Network in Spanish 0200 GMT 5 Nov 92

[Text] Jaime Serra Puche, secretary of commerce and industrial development, has said that the final legal document of the trilateral free trade treaty between Mexico, the United States, and Canada will not be renegotiated. Serra Puche pointed out that Bill Clinton's victory in the U.S. elections will not affect the North American Free Trade Agreement [NAFTA] because the negotiations between the governments have already concluded. The text of the treaty that has been signed by the three governments is the final text and it is not subject to renegotiation.

Serra Puche stressed that during his campaign, Governor Clinton voiced support for the NAFTA, particularly during a speech in North Carolina where he said that if he won the election, his administration did not plan to renegotiate the NAFTA. At that time, Clinton voiced an interest in analyzing two issues additional or parallel to the NAFTA, such as the issues of ecology and labor.

[Begin Serra Puche recording] These are issues that will be included in the bilateral agenda.... [pauses] In fact, a bilateral meeting between the two governments will probably take place in March 1993 in which.... [pauses] At a date yet to be confirmed, we will review each and every topic to be included in the bilateral agenda between Mexico and the United States. [end recording]

Commentators on Elections, NAFTA

PA0411145692 Mexico City Canal 13 Television Network in Spanish 1300 GMT 4 Nov 92

[Comments by Javier Latorre, Canal 13 Television Network reporter, and Victor Aviles, coordinator of NOTIMEX correspondents in the United States and Canada, in Washington—live]

[Text] [Latorre] We are broadcasting live from Washington. All Mexicans are very interested in the future of the North American Free Trade Agreement [NAFTA] and the perspectives offered by this new government.

[Aviles] In January 1993, there will be a new president in the United States—a Democrat. There will also be a new U.S. Congress with a democratic majority. There will be many new faces in Congress, about 25 or 33 percent, which will probably follow the guidelines of their own democratic leaders.

It is foreseeable that this will be a decisive and very important factor in the approval of the NAFTA because there are representatives of the same party in the two strongest branches of government and this could ease the approval of the NAFTA.

Besides, Governor Clinton has said he would only add or include some kind of conditions dealing with internal policies and training for workers inside the United States, but has never mentioned renegotiating the NAFTA with Mexico or Canada.

[Latorre] In that sense, Victor, it is worthwhile to clarify some points to be more precise.

On 27 October in Tampa, Florida, Mr. Clinton said he supported the NAFTA, which had already been negotiated. I believe that at the moment the U.S. Congress approves it and it becomes a law, the Congress will also have to approve a law to train workers and invest in the communities that may be affected. These were some of the, quote, conditions, unquote, for the NAFTA. I say conditions with quotation marks because maybe conditions is too strong a term. It is, rather, a way of seeking a smoother operation for the NAFTA, with more benefits for the American workers and for the country.

Mr. Clinton has referred to the implementation of the NAFTA several times. Therefore, we can say that the NAFTA stands and it is very likely that it will be implemented in accordance with the dates that have already been agreed upon.

[Aviles] I would like to point out that Mr. Clinton stated during the electoral campaign that he supports the NAFTA and that, if he spoke of any conditions, it is obviously because he wanted to put his own signature on it. It is foreseeable, however, that we will soon get statements from President-Elect Clinton on the NAFTA with clearer and firmer support for this international agreement.

Media Cited on Victory

PA0411173492 Mexico City NOTIMEX in Spanish 1556 GMT 4 Nov 92

[Text] Mexico City, 4 Nov (NOTIMEX)—Mexican media on 4 November used their prime space to report the victory of Bill Clinton in the U.S. presidential elections and described it as beneficial for Latin American trade.

The influential daily EXCELSIOR's main editorial affirmed: "Clinton must not forget that (Latin America) has made an amazing change and it is no longer a region subject to the empire to the north."

EL MATUTINO, which like all Mexican dailies dedicated its front page to report on the U.S. Democratic Party victory, noted that Bush is leaving behind a "good legacy:" the free trade agreement negotiated by Canada, the United States, and Mexico.

EL DIARIO views the trade agreement as "perhaps one of Bush's best legacies" because "it creates hopes for more just trade relations between the United States and Latin America."

The tabloids LA JORNADA and UNOMASUNO in an unusual move, set aside their traditional format and headlined their reports with a big-lettered "Clinton" across the front page.

LA JORNADA commented: What Clinton can do right away "is modify the roots of a foreign policy that, under his predecessor, was based on violence, rationality [as received], and huge disregard for international law." This tabloid added: "It would be adequate to demand that he observe a more humane attitude toward the so-called Third World countries, especially Latin America. Solutions are not found in isolation but in clear and open relations based on respect for the sovereignty of the nations."

UNOMASUNO's editorial deals with how the relations between the United States and Mexico will be in the future with the arrival of Clinton and rejected the possibility of negative changes taking place in the relations between these two countries, which share problems along a common border of more than 3,000 km.

As UNOMASUNO sees it, the North American Free Trade Agreement "is an attempt at leaving behind the distant neighbors notion to build a really constructive relationship between the two nations."

The government's daily EL NACIONAL reiterated the traditional Mexican theory of relations with the United States based "on principles of mutual respect, abidance by the law, the self-determination rights of nations, and nonintervention in the domestic affairs of other nations."

EL NACIONAL said Clinton has been "completely clear" about free trade and his support for the trilateral treaty despite the fact that subjects such as immigration, the struggle against drugs, the environment, and specific projects "have not been completely outlined yet."

EL UNIVERSAL commented: "Bill Clinton, who has shared with his adversaries an ignorance about Latin America that deserves criticism, must plan actions to fulfill another U.S. dream: the triumphant presence of the United States in the world."

EL UNIVERSAL, considered to be one of the newspapers with higher circulation in Mexico, added: "In any event, the die have been cast for the United States and the rest of the world: Clinton opens a new phase."

Officials Forbid Import of U.S. Christmas Trees

PA0111213692 Mexico City XHTV Television Network in Spanish 0200 GMT 31 Oct 92

[Report by Marco Antonio Pina in Hermosillo, Sonora State]

[Text] Agriculture officials have forbidden the entry into Mexico of natural Christmas trees and door wreaths as a means to try and stem the advance of Mediterranean fly [mosquita blanca] plague. The Agriculture and Water Resources Secretariat calls on importers and citizens in general not to purchase them because they will be confiscated by inspectors at the Mexican border. This measure has been implemented to prevent the advance of this plague.

Hundreds of trees and decorative plants were confiscated in 1991 from Mexican and foreign tourists who, in some cases, intended to bring these plants as far as the center of Mexico because they were not aware of the preventive measure.

The office in charge of vegetable sanitation has restricted several products, including fruits from California and Florida, areas that are highly infected by the Mediterranean fly.

Costa Rica

Calderon Hopes For Continued Support From Clinton

PA0511030892 San Jose Radio Reloj in Spanish 0100 GMT 5 Nov 92

[Text] Commenting on the U.S. elections, Costa Rican President Rafael Angel Calderon Fournier said he hopes the new U.S. president will maintain a policy of support for Costa Rica. The victory of Democratic Presidential Candidate William Clinton with a 5 percent difference regarding the direct vote was no surprise, as the polls had been very clear, Calderon added.

Calderon Fournier hopes to maintain excellent relations with Mr. Clinton's administration, because Costa Rica has always maintained a special friendship, regardless of whether a Republican or a Democrat is the U.S. President or whether a Social Christian or a Social Democrat is the Costa Rican president.

The government of President Rafael Angel Calderon Fournier has begun to establish contacts with the people who will take over the important posts in the new U.S. Administration. The government seeks to define what will happen in foreign trade, what future lies ahead for open trade and the treaties, and what will be the new proposals of President Clinton's government. Calderon Fournier pointed out that the Costa Rican Government is working on these issues and will continue working in coming days and weeks to ensure a continuity of the excellent relations between Costa Rica and the United States.

We Costa Ricans must reiterate our affection and gratitude to President George Bush for the permanent assistance he always gave our country, President Calderon added. He stressed that as U.S. vice president and president, Bush was always willing to help Costa Rica by supporting the government actions in a search for better conditions for the people. Calderon Fournier said Costa Ricans respect and admire President Bush as a man who helped to keep us out of war and to strengthen peace, and who was always in solidarity with Central America, particularly with Costa Rica.

The Costa Rican president also said that the coffee producing countries will have to make new proposals on the need to have the support of the United States in the negotiations for establishing a new international coffee agreement. The president added that after a new administration takes over on 20 January in the United States, there might be changes to this effect. The United States agreed to support the coffee producing nations in the negotiations for reestablishing the quota system, as requested by the governments [as heard], but that situation could change with the new adminsitration of William Clinton.

Venezuela Requested To Expand Petroleum Agreement

PA0511014092 San Jose LA REPUBLICA in Spanish 28 Oct 92 p 4a

[Article by Angela Orozco]

[Text] The Costa Rican Government yesterday requested Venezuela to broaden the San Jose Agreement so that the benefits granted for the purchase of crude be extended to by-products, such as gasoline and diesel.

The proposal, which includes a request for greater flexibility under the payment conditions, was presented during Venezuelan Foreign Minister Fernando Ochoa's 24-hour official visit to this country.

The diplomat assured that his visit to Costa Rica is aimed at strengthening ties of friendship and at fostering specific actions for integration with the Central American region.

Ochoa denied that bilateral relations between Venezuela and Costa Rica have deteriorated as a result of a decision by Calderon's administration to grant political asylum to Blanca Ibanez—current wife of former Venezuelan President Jaime Lusinchi—wanted by Venezuelan justice.

"Venezuela recognizes the right of asylum and a government's power to grant asylum upon its own evaluation of the facts;" however, Ochoa firmly stated: "no one is politically persecuted in our country."

Meanwhile, he acknowledged that the Venezuelan Government has not yet put forth its official position on the candidacy of Bernd Neihaus, Costa Rican foreign minister, as OAS secretary general.

Before meeting with Calderon, the Venezuelan diplomat affirmed yesterday at the presidential palace that the changes in the [San Jose] agreement are being studied—on a technical level—but he added that his country is anxious to find alternatives that are beneficial for both nations.

If the request is granted, Costa Rica will be guaranteed the fuel supply that it currently imports, as the Costa Rican Oil Refinery's [Recope] production capacity is not enough to meet the local market's needs.

Through the Agreement, the beneficiary nations pay in cash 80 percent of the invoice and the other 20 percent is placed in a fund from which soft loans to develop energy projects can be used.

Regarding the improvement of the financing conditions, it was requested to allow Recope to make direct transfer payments. In this way, the current requirement to deposit at the Central Bank the value of the purchase, three weeks prior to the opening of the letter of credit, is avoided. This practice increases the costs of financing.

According to Hernan Bravo, natural resources, energy, and mines minister, the Costa Rican Government's

proposal to include petroleum by-products in the San Jose Agreement would allow for an increase in the percentage of the petroleum invoice that is earmarked to finance [energy] public works projects.

As for trade, Ochoa reiterated the proposal of a framework agreement for free trade with Central America.

El Salvador

FMLN Urges 'Constructive' Relations With Clinton

PA0411202892 San Salvador Radio Farabundo Marti Network in Spanish 1800 GMT 4 Nov 92

[Text] The Farabundo Marti National Liberation Front [FMLN] on 4 November hailed Democrat Bill Clinton's election as president of the United States and expressed its confidence that the new administration will actively support the Salvadoran peace process.

Salvador Mejia, a member of the FMLN Political-Diplomatic Commission, said during a 4 November news conference that it is especially important that there be support for the agreements on the purging of the Armed Forces and the purity of future elections in El Salvador that will take place in a context of change and advancement toward democracy.

[Begin Mejia recording] We trust Mr. Clinton's new administration will actively support compliance with the peace agreements so that this process can be successfully completed, especially regarding the purging of the Salvadoran Armed Forces, the main violators of human rights, [words indistinct] the ad hoc commission, and to the purity of future elections in our country, in this new context of change and advancement toward democracy.

It is important to support compliance with the base agreement [words indistinct], an immediate halt in military aid to the Salvadoran Armed Forces and transfer of those funds to the so-called Fund for Peace or Demobilization and Transition Fund. [end recording]

Meanwhile, Salvador Cortes, another member of the Political-Diplomatic Commission, said the FMLN has a commitment to struggle for continued aid to the country. He believes Clinton is aware of El Salvador's needs.

[Begin Cortes recording] [Words indistinct] the continuation of the aid, since in the past few years [words indistinct] bipartisan policy, there has been (?consensus) on the need for economic aid to countries like El Salvador. I think it is important that, although there are problems in the United States regarding the economy and internal needs, there should also be some continuity in economic aid to other countries. [end recording]

The members of the Political-Diplomatic Commission urged the new U.S. administration to include in its policies a systematic and coherent support for human rights, which have so often been violated in our country. The FMLN also reiterated its willingness to establish better and more constructive relations with the Clinton administration.

Presidency Minister on Demobilization Plans

PA0411032592 San Salvador Canal Seis Television in Spanish 0200 GMT 3 Nov 92

[Text] Presidency Minister Oscar Santamaria has reiterated the government's willingness to comply with the demobilization of the elite battalions while the Farabundo Marti National Liberation Front [FMLN] dismantles its military structure simultaneously.

Minister Santamaria said on 2 November that Marrack Goulding and Alvaro De Soto are seeking to move the process along by rescheduling events. Dr. Santamaria reiterated the government has always been willing to comply with its commitments on the scheduled dates, with the exception of the case of the Armed Forces.

[Begin Santamaria recording] We are talking here of a stage that is basic for the cease-fire, that is disarmament and demobilization of the armed structures, both in the case of the FMLN and the government, which are in the process of reduction. As you know, this is part of a stand the government had announced. They [the UN officials] are now trying to coordinate efforts and we have responded. [end recording]

The minister feels the demobilization of the elite battalions of the Armed Forces will be done in a gradual manner, in the same way the FMLN will dismantle its military structure.

[Begin Santamaria recording] Undoubtedly, the FMLN does not like the stand adopted by the government. Nonetheless, this is the stand accepted by the UN secretary general. A president always speaks on behalf of a nation, and our stand is a positive and realistic one. We cannot adopt theoretical stands. [end recording]

It is expected that the efforts of the special envoys, the government, and the FMLN will result in a more feasible mechanism for complying with each and every one of the commitments made by each party.

Arena Leader Supports Provisional FMLN Registration

PA0411223592 San Salvador Canal Doce Television in Spanish 0300 GMT 4 Nov 92

[Text] Armando Calderon Sol, the president of the Nationalist Republican Alliance [Arena], has said he would agree to the Supreme Election Tribunal [TSE] registering the FMLN [Farabundo Marti National Liberation Front] as a political party, but on a conditional basis, until they complete the disarmament process. Calderon Sol had rejected such registration, saying it would be unconstitutional, as the charter does not admit the registration of armed groups as political parties. On

3 November, however, he agreed to allow the registration of the FMLN as a political party, as long as it is conditioned to the total dismantling of its military structures, set for 15 December.

[Begin Calderon recording] I think it could be possible. The TSE could register them provisionally and condition the full exercise of their rights to their total disarmament. [end recording]

Calderon Sol said the decision was not reached due to UN pressure, because, as he added, the United Nations cannot oblige a sovereign nation to violate its constitution. If the United Nations has issued any statements on the issue, he added, this could be attributed to misinformation by the secretary general's special advisers, who were unable to explain the country's legal system, especially that pertaining to the registration of political parties.

[Begin Calderon recording] They must respect our Constitution and what has surely happened here is an information lapse. It was a mistake on the part of the secretary general caused by bad information he received from his advisers. It was just a confusion. It was an understandable mistake, and the Salvadoran people can continue to enjoy their legal system and sovereignty. [end recording]

The Arena president said his party and the government have always said the FMLN must enter the country's political life and struggle in the political arena for whatever changes they feel are needed.

TV Station Clarifies General Zepeda's Remarks

PA0411214992 San Salvador Canal Doce Television in Spanish 0300 GMT 4 Nov 92

[Text] In order to report objectively, the "Al Dia" newscast is involved in a constant process of professionalization. This process involves recognizing our mistakes in order to learn from them.

On 2 November we misinterpreted the statements made by General Juan Orlando Zepeda, the Salvadoran deputy defense minister, when he expressed his opinion on recent developments in the peace process. We would like to make it clear that our reporting that Gen. Zepeda's statements were a criticism of the government was involuntary. Therefore, we now give the military chief the opportunity to clarify his ideas.

[Begin Zepeda recording, in progress] ...too risky an effort. He is even risking the credibility.... [end recording]

Gen. Juan Orlando Zepeda on 3 November clarified that these statements, made public on 2 November, are not a criticism on President Cristiani. Nonetheless, he reaffirmed what he said on 2 November about risking the credibility of the peace process due to the change in the schedule of the agreements.

[Begin Zepeda recording] I would like to clarify that I have not criticized the government or President Cristiani, as the media has reported. Instead I was evaluating the risks we have been taking by making adjustments to a schedule that had been agreed upon. I harshly criticize the FMLN [Farabundo Marti National Liberation Front] for seeking subterfuges to extend the process. I evaluate the agony and the uncertainty among the Salvadoran people. Therefore, I would like to ask you to clarify these ideas and not issue such judgments. [end recording]

Gen. Zepeda paid a visit to the "Al Dia" newscast and said that based on military discipline he could not oppose the presidential decisions as reported on 2 November.

[Begin Zepeda recording] I would like to make it clear to you, in all honesty, that we, as members of the Armed Forces, must completely obey the decisions of the political sector. The strategic political levels make the decisions for our Armed Forces and our nation. The Armed Forces are here to help in this process and support and serve the legally established government. We are not deliberative. We will obey, and what we must do now is obey the decisions of the president regarding the adjustments to the schedule. [end recording]

Regarding statements made by Deputy Jorge Villacorta of the Democratic Convergence on Zepeda calling businessmen to a meeting for the next few days, Gen. Zepeda rejected such statements and said he will request evidence.

[Begin Zepeda recording] I must reject emphatically those irresponsible statements by Deputy Villacorta. I wish he would present some evidence or that some businessman would come forth and say: I was summoned by the deputy defense minister. [end recording]

As temporary coordinator of the National Commission for the Consolidation of Peace, Gen. Zepeda said the government and the political parties have made a commitment to the representatives of the UN Observers for El Salvador to speed up the fulfillment of the points in the schedule of the agreements that have been delayed.

On his part, he stressed the need for the FMLN to update its weapons inventory before the United Nations in order to reestablish credibility for the Salvadoran people in the peace process.

Guatemala

Remarks on Clinton's Presidential Win Noted

Government Congratulates Clinton

PA0411235292 Guatemala City Teleonce Television in Spanish 1800 GMT 4 Nov 92

[Excerpts] Guatemalan Vice President Gustavo Espina Salguero has said that the government sent congratulatory messages to U.S. President-Elect Bill Clinton and

Albert Gore, his running mate, on the 3 November election victory. [passage omitted]

[Begin recording] [Espina Salguero] Today, we face a change. The Republican Party was in power for 12 years. Mr. Bush was in the White House for 12 years, eight as vice president and four as president. Undoubtedly, he is one of the greatest statesmen in U.S. history, and he has a good record. He is a man with vast experience. First he was ambassador to Moscow, then to Beijing; he was also a senator. Now, it was his turn to lose.

The analyses that were made showed that the Democrats handled their campaign very well. There were some errors in the campaign by the Republicans, particularly at the convention, when they did not give sufficient emphasis to the economy. The Americans had a small reduction in their annual incomes, about 3.5 percent, and this value in the stock market turns into votes. The Republicans assigned little importance to this at the convention, and this led to the results.

We have sent greetings to Mr. Clinton, the next president, and Mr. Gore, the next vice president, as well as to the U.S. people. We have congratulated them for what happened on 3 November, as this is an example of democracy. As you noticed, President Bush greeted Governor Clinton in the early evening, and congratulated him. Both Bush and Vice President Quayle called for unity and for the people to struggle for the United States.

These are beautiful examples in politics. It was a hard campaign, and there were difficult moments. Accusations were made, and sometimes these backfired. Now, it is all over, and they have already started to work on the transition period, which will be very orderly, so that on 20 January 1993 Governor Clinton will be sworn in as the new President of the United States.

[Unidentified reporter] Will the change from a Republican to a Democratic administration affect Guatemala at all?

[Espina Salguero] We do not believe so. We believe the United States has established its foreign stand. We believe that the Guatemalan creative management that has entered the U.S. market will continue with the same strength and opportunities. We must encourage our people so they will continue to produce what we export to the United States.

As Governor Clinton has not said much about his foreign policy with regard to Central America, we do not have any comment to make because there is not much to this effect. Nonetheless, the United States cannot make violent turns in its foreign policy, and we hope that the relations will continue to be the same, that is, good relations. [end recording]

Defense Minister Lauds Elections

PA0511001692 Guatemala City Teleonce Television in Spanish 1800 GMT 4 Nov 92

[Text] Defense Minister General Jose Garcia Samayoa said the U.S. elections are an example for many other countries and the change of government in the United States will not have any repercussions on security or human rights issues in Guatemala. Garcia Samayoa stressed the manner in which President Bush promptly acknowledged the results of the elections.

[Begin Garcia recording] This professional and patriotic approach should be emulated. As soon as he [Clinton] won, the other candidates, including President Bush, called on the U.S. people to unite to work for the benefit of that great nation, and to forget the campaign, the political ideologies, and give full support to the president-elect so that he can carry out his job.

I believe that this is one of the best lessons they could give us regarding civic values and democracy, and it is an example that all Guatemalans should emulate. One must set aside the antagonisms of the political campaign and unite to carry the nation forward regardless of one's position.

The Guatemalan Army and the Guatemalan people have no need to be sad; things have to be done correctly and this must be understood. Those who have projected a poor image of Guatemala abroad are the small groups that I have mentioned, which have taken the trouble to misinform to create discontent, unemployment, poverty, and injustice in Guatemala. What these small groups are doing definitely does not help us develop as a nation with dignity, sovereignty, and true independence [words indistinct].

We can only (?congratulate) that great nation, which today is a great world power, for the manner in which it carried out its elections. It was a very democratic exercise. We now have to continue our lives and politics as a worthy and sovereign nation, and demonstrate with [word indistinct] and our behavior that we do not necessarily need anyone to pressure us to behave as true Guatemalans and as human beings. [end recording]

Honduras

Discua Says Clinton Election 'Of No Importance'

PA0411185692 San Pedro Sula TIEMPO in Spanish 4 Nov 92 p 8

[Text] General Luis Alonso Discua, Honduran Armed Forces chief, stated that the result of the U.S. presidential elections is of no importance to the Honduran military.

"It is an internal matter of the U.S. citizens, so let us wait for the results," he said, adding to the statement by

President Rafael Leonardo Callejas, who said that for Honduras it does not matter who wins, be it Bill Clinton or George Bush.

"The president has stated clearly that it makes no difference who wins the elections. We Hondurans must be concerned with making progress, and everyone should try to work so we can build up our economy," he added.

Asked about Clinton's remarks on the reduction of U.S. military spending and aid to countries such as Honduras, Discua said: "As I said, this was not determined by Clinton. There is an established policy at the national level, so I see no problem in that respect."

Asked if it makes no difference to the Honduran military who wins the elections, he said: "Yes, that is right."

"We must solve our own problems and move forward. We must not have to wait and depend on foreign economic aid," the ranking officer stated.

"As Hondurans we must dedicate ourselves to work. Our national reality must not depend on an electoral outcome outside Honduras," he said.

Speaking about the death of two persons allegedly for political reasons, he said the leaders of political parties are sufficiently mature to prevent such a thing from happening.

"Political leaders are capable of preventing this type of problem from happening," Discua Elvir said. He noted that normal disarmament operations will continue to "try to prevent this type of problem from happening."

Discua on U.S. Statements Against Armed Forces

PA0511041792 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 2 Nov 92

[Report by Francisco Valeriano Jiron; italicized passages are recorded]

[Text] We asked General Luis Alonso Discua Elvir, the commander in chief of the Armed Forces, for his opinion on a recent newspaper article published by THE WALL STREET JOURNAL, which said that the Armed Forces continue to pose a threat to Honduran democracy, and that their current commander, Gen. Discua, could even become a dictator.

[Discua] *First of all, as a representative of the Armed Forces, allow me to say that the article means nothing; it is out of whack and outdated; and the president already responded.*

[Jiron] We asked where such statements could have originated.

[Discua] *From the desk of someone in the United States, who is interested in maintaining some sort of presence here.*

[Jiron] When asked about the effects that the statements against the Armed Forces could have, he answered:

[Discua] *As I said, they will have no repercussions inside the forces. Our position has been clear all along and the institution has already defined its position on the issue. The report, then, is totally out of line.*

[Jiron] Gen. Discua insisted that the statements were false and unfounded.

[Discua] *The Armed Forces must look upon ourselves in relation to the democratic process and the relations we must maintain with the government. So you see, from the Armed Forces perspective, these statements do not worry us and we are not interested, as the analyses have no solid foundation.*

[Jiron] Nevertheless, the U.S. analyst insists that Discua could become a dictator within the Armed Forces.

[Discua] *My staying in the organization gives it greater credibility, strength, and firmness; unity of steel, and greater aggressiveness within the forces. This is because the Armed Forces have maintained and will continue to maintain, clear and specific policies about all matters concerning the Armed Forces.*

[Jiron] Gen. Discua concluded by saying that he has no intention of sending any type of clarification or statement—neither in his name or on behalf of the Armed Forces—to THE WALL STREET JOURNAL, as he believes the analyst's statements or opinions are an outburst and completely removed from the Honduran Armed Forces reality.

Japan Donates Aid for Sanitation, Hospitals

PA0511004392 Tegucigalpa LA TRIBUNA in Spanish 4 Nov 92 p 7

[Text] On 3 November, Japanese Ambassador Takashi Miyazaki exchanged notes with Foreign Minister Mario Carias Zapata during a ceremony to formalize a $13.2 million donation that Honduras will use to clean up the capital and improve the country's hospitals.

The event—held at the "Jose Cecilio del Valle" Palace, the Foreign Ministry building—was also attended by Tegucigalpa Mayor Nora de Melgar, Planning Minister Orlando Funez, and Public Credit Director Cesar Carranza.

According to the notes that were exchanged, 535 million yen, equivalent to $4.4 million, will be used to improve the cleaning service in the Central District. The main objective of this is to solve the garbage problem with new garbage trucks.

In addition, 1.067 billion yen, $8.8 million, will be used to equip the hospitals of San Lorenzo, Valle and Tocoa, and Olanchito, Colon Department.

Carias Zapata stressed that the donation "is a gesture of generous friendship to improve health conditions and an

invaluable contribution from Japan to help the Central District face contamination problems."

It was learned that the machinery and equipment for the three hospitals will arrive in Tegucigalpa in early or late March 1993.

Nicaragua

Reaction to Clinton's Presidential Victory Noted

Chammoro Sends Congratulatory Message

PA0411135192 Managua Radio Nicaragua Network in Spanish 1100 GMT 4 Nov 92

[Message from President Violeta Chamorro to U.S. President-elect William Clinton on 4 November—read by announcer]

[Text] Mr. William Clinton:
Dear President-elect:

Receive my warmest congratulations for your electoral victory and that of the Democratic Party in the 3 November elections.

On various occasions you have discussed the idea of a change in U.S. policy. The Nicaraguan people know through personal experience how difficult it is to make transformations.

I am confident that we will meet soon to discuss important issues of common interest pertaining to the Central American region, and to Nicaragua in particular. I am of the firm conviction that the new administration—resulting from this electoral process—will continue to support the strengthening of democracy and progress in Nicaragua as a contribution to stability throughout Central America.

On behalf of the people of Nicaragua, the government I represent, and speaking for myself, I wish you success during your term in office for the good of the American people, and I offer you my cooperation.
Receive my most distinguished regard,
[Signed] Violeta Barrios Chamorro
President of the Republic of Nicaragua

Presidential Spokesman Comments

PA0411191792 Managua Radio Catolica in Spanish 1100 GMT 4 Nov 92

[Telephone interview with Dr. Danilo Lacayo, Nicaraguan Presidency spokesman, by unidentified correspondent in Managua; from the "Awakening" program—live]

[Excerpt] [Passage omitted] [Correspondent] Dr. Lacayo, does the Nicaraguan Government expect $100 million in aid to be released once Bill Clinton becomes President? We understand that this was one of the events that the U.S. Congress was waiting for, that was pending the release of the aid.

[Lacayo] The Nicaraguan Government and President Chamorro said that this government would maintain excellent friendly relations of mutual respect with the United States no matter who won. It was hoped that the aid would be released once the electoral period was over no matter who won. The president's message to the President-Elect clearly states that she hopes there will be continued support for Nicaragua's democratic process and progress. Therefore, we hope the new U.S. Government will pursue a policy of assistance to the process in which we Nicaraguans are all involved. We are certain that in the days to come, we will finally be able to count on the aid.

[Correspondent] Some analysts say the Nicaraguan Government would have been better off if President Bush won because Bush made a personal commitment to President Chamorro as a result of the Nicaraguan electoral process. Clinton did not make a commitment, suggesting that he has no interest in continuing economic aid to our country. What do you think of that?

[Lacayo] The U.S. Congress has already approved 1992 and 1993 aid allocations. We must realize that the United States is also experiencing a very serious economic situation. As you have seen in all the polls, the U.S. people's major problem is the economy. That is why the U.S. people voted as they did. Obviously, the new U.S. President is facing a very difficult domestic economic situation. We believe all governments have foreign policies. We hope the U.S. foreign policy and our relations with the United States will be maintained on a friendly level and that the new President of the northern country will understand the great problems that we are facing in Nicaragua and the importance of having permanent democracies in Central America and the rest of Latin America. As democracy is being established in Central America and the rest of Latin America, it will also be established in other countries, and this in some way will benefit the United States.

Leal Expresses 'Satisfaction'

PA0411140492 Managua Radio Nicaragua Network in Spanish 1100 GMT 4 Nov 92

[Text] Nicaraguan Foreign Minister Ernesto Leal has expressed his satisfaction with the election of Bill Clinton as president of the United States. He said Nicaragua is prepared to work with Clinton. We in Nicaragua, he stated, are familiar with change. Three years ago we were a country divided by war; now we are a young democracy that has the liberty and economic stability it has not had for decades.

The foreign minister said the Nicaraguan Government expects to establish soon, a dialogue with the Clinton administration to discuss its policies for Central America as well as its plans to support regional stability.

An important aspect of the immediate bilateral agenda would be how the new administration could contribute to the release of the $100 million in aid for Nicaragua. Foreign

Minister Leal said. He noted: We Nicaraguans believe an analysis of the situation will show that aid to Nicaragua has been and will continue to be a positive step toward the sustained development of our democracy.

I am sure, he said, that President-Elect Clinton will be able to justly assess the progress promoted by President Chamorro's administration in favor of democracy, peace, and reconciliation during the past 30 months of her administration. During this period it has also worked to heal the wounds produced by the civil war.

I am also certain, he added, that the president-elect will understand that it is necessary to provide sustained support for the consolidation of our progress.

As a government that believes in democracy, we congratulate President-Elect Clinton, Leal stated.

D. Ortega Urges Respect for Decision

PA0411174192 Managua Sistema Nacional de Television Network in Spanish 0300 GMT 4 Nov 92

[Text] Commander Daniel Ortega, secretary general of the Sandinist National Liberation Front, feels that the U.S. people's decision must be respected.

[Begin Ortega recording] The most important thing is for us to continue struggling to urge the United States to change its position toward Nicaragua and other Latin American countries and develop a new model of relations in the economic, social, and political spheres, so as to make those relations truly respectful. [end recording]

Ceasar Sees Chamorro Among 'Losers'

PA0511001592 Managua Radio Catolica in Spanish 2225 GMT 4 Nov 92

[Text] During an improvised news conference on 4 November at the airport, Alfredo Cesar said Mrs. Chamorro's administration will lose with George Bush's defeat. Mrs. Chamorro does not know President-Elect Bill Clinton, he said.

[Begin Cesar recording] The U.S. elections will have a deep effect on future relations between the United States and all the countries in the world including Latin America, of course. One of the losers in Nicaragua—concerning the 3 November elections—is Mrs. Chamorro's administration, particularly Mrs. Chamorro herself. She will lose a strategic ally, Mr. Bush—who personally pledged to support her since the beginning of his term. Now there will be a new government and a new president, who does not even know her personally; and he obviously has different views on what is taking place in the world.

Moreover, I must say that, as far as the country's political groups are concerned, the only Nicaraguan party that was invited to participate—and which participated—in the Democratic Party convention in July was the Social Democratic Party [PSD]. The PSD vice president is Adolfo Jarquin, who is here with me right now. He was the PSD delegate who led the only Nicaraguan political party delegation to attend the convention in July. The PSD is the only political party in the country that has organizational relations with the Democratic Party in the United States.

Likewise, I believe.... [pauses] at the national level and as far as political groups are concerned, perhaps the party to lose the most influence is the National Conservative Party—the party which had relations as an organization with the ruling Republican Party. Given the elections results, this party will obviously lose its influence.

I want to add that on 3 November I had the opportunity to talk with two important members of President-Elect Clinton's staff—they will undoubtedly hold high-ranking posts in the new government—and we discussed the new team's plans concerning Latin America. We saw people we knew from President Carter's administration and there were also new people. There is a combination of people who will handle the new government's foreign policy. However, the two teams, those who worked with President Carter and those who are new to this effort have something in common: they propose an antimilitaristic policy and the consolidation of democracy, and are harshly critical of the fact that the Bush administration sacrificed the consolidation of democracy in several parts of the world for the benefit of stability. They criticize him for having an administration that possibly made deals with dictators for the sake of world stability. Such is the case with the leaders of the PRC, which still has a totalitarian regime, and with Iraq's Saddam Husayn. The relationship that the United States maintained with Husayn during the Bush administration prior to the Gulf War was harshly criticized, as well as the relationship with some Latin American countries, including Chile. [end recording]

Workers' Union Threatens to Overthrow Government

PA0411043892 Managua BARRICADA in Spanish 2 Nov 92 p 5

[Report by Luis Valverde]

[Text] The main leaders of the Permanent Workers' Congress, CPT, forgot about their labor demands on 1 November, and threatened to overthrow the Violeta Chamorro government "if she does not comply with the original plan set forth by the National Opposition Union, UNO, which put them in power."

The threats were made during a demonstration staged by about 2,000 people which began at the Santa Ana Temple and ended at the Western Cemetery. The march was to mark the fifth anniversary of the founding of the CPT on 1 November.

The demands presented by the workers—jobs, wages, and land for the traditional farmers—were seen on the demonstrators' banners, who were mainly farm workers. Meanwhile, the main CPT leaders angrily called for the

removal of General Humberto Ortega as commander in chief of the Armed Forces, and demanded that "the government place Vice President Virgilio Godoy Reyes in his place."

An Exception

Except for Jose Espinosa, the CPT coordinator, who made a somewhat moderate speech, the other five speakers spoke in very strong terms against the Chamorro government and the Sandinist leadership. They accused the Sandinists of having a "vulgar collusion with the government."

Antonio Jarquin, of the Nicaraguan Workers Federation, Roberto Moreno of the Central Organization of Trade Union Action and Unity, CAUS, and Julio Paladino of the General Confederation of Labor, CGT, were more political in their speeches, which had no relation to the workers' expectations.

Roberto Moreno, the general secretary of CAUS, after demanding the removal of Gen. Ortega, said that if the president does not wish to tell him to leave, "the people are here (referring to the 2,000 demonstrators) ready to get him out of that bunker where Somoza once hid before him."

Julio Paladino, the head of the CGT, said "the people who put the government into power have felt betrayed ever since the government ratified Humberto (Ortega) at his post and pushed Virgilio Godoy aside."

Espinosa tried to "lighten" the political load his colleagues gave the celebration by attacking the neoliberal policies the government is peddling. However, some people found his speech to be a "badly disguised cover up."

Venezuelan Foreign Minister Ochoa Visits

PA0111000792 Managua Radio Nicaragua Network in Spanish 1100 GMT 31 Oct 92

[Text] On 30 October, President Violeta Chamorro received Venezuelan Foreign Minister Fernando Ochoa, who reiterated the Venezuelan Government's support for President Chamorro's democratization efforts. Ochoa was accompanied by Venezuelan Ambassador Dr. Juan Jose Montalvo, Venezuelan commercial attaches, Nicaraguan Minister of the Presidency Antonio Lacayo, and Nicaraguan Foreign Minister Ernesto Leal. This is Ochoa, who was decorated with the General Jose Dolores Estrada Order in the degree of Great Cross.

[Begin Ochoa recording] The Venezuelan people and government support the government of President Chamorro. As you know, Venezuela thinks the democratization process in Nicaragua is fundamental for its people and Latin America's destiny. For this reason, we have come to visit her with our usual friendship and respect, with a warm message from President Carlos Andres Perez in support of the efforts that President Chamorro is making for Nicaragua's good. [end recording]

Ochoa asserted the importance that the renewal of the San Jose Pact holds for Nicaragua, a pact of which Venezuela, Mexico, and Central America are cosigners.

[Begin Ochoa recording] The San Jose Pact is working successfully enough. The sales of crude oil to Nicaragua continue to be satisfactory for Nicaragua and Venezuela. We will talk about several cooperation projects. I have talked with President Chamorro about the region's problems, (?whose solutions) affect Nicaragua's future. [end recording]

Foreign Minister Leal described Ochoa's visit as very positive.

[Begin recording] [Leal] It is a great pleasure for the Nicaraguan people and government to have Minister Ochoa here. We regard his visit as very positive because it strengthens even further, the ties that have united us with the Venezuelan people and government for many years. As we have said, the Venezuelan Government has recognized the democratization process being sponsored by President Chamorro. In addition, we have studied with Minister Ochoa, a number of cooperation aspects, such as [words indistinct]. We discussed as many as seven cooperation points with the foreign minister on 30 October. Every one of them is ready to be presented.

[Unidentified Reporter] [words indistinct]

[Leal] El Salvador is the last country he will visit on his tour before heading for home.

[Reporter] What countries will he have visited?

[Leal] All of Central America. [end recording]

Leal Comments on Venezuelan Loan, Torricelli Law

PA0411042392 Managua EL NUEVO DIARIO in Spanish 2 Nov 92 p 2

[Text] Venezuela will grant a $15-million stopgap loan to Nicaragua and it is expected to become effective during the next meeting between the Group of Three and Central American officials late in November in Caracas.

The Venezuelan loan will allow the country to strengthen its trade balance, it was stated by Foreign Minister Ernesto Leal shortly after bidding farewell to Venezuelan Foreign Minister Fernando Ochoa.

Leal said that during the meeting, the authorities will also apply for similar stopgap loans from Mexico and Colombia—which, along with Venezuela, comprise the Group of Three.

Furthermore, the Nicaraguan foreign minister referred to money laundering and said the conditions could be

given for this; adding the Central Bank must implement the necessary measures to control this.

Leal also rejected the Torricelli Bill and said it violates a state's sovereignty and international law concerning a state's right to maintain contacts with other sovereign states.

He said countries must seek peaceful solutions and, in Cuba's particular case—to achieve democracy—it must be done in a peaceful way rather than as a result of this type of law.

Germany, Norway, Sweden, Denmark Grant Aid

PA0111165492 Managua LA PRENSA in Spanish 30 Oct 92 pp 1, 16

[Text] The Public Affairs Office of the Foreign Cooperation Ministry reported on 30 October that the German Government granted Nicaragua $50 million in financial and technical aid after German and Nicaraguan officials held negotiations in Bonn between 19 and 21 October.

According to the agreement, the funds will be used to finance projects for potable water in Jinotega, Matagalpa, and Puerto Corinto and to support the Social Emergency Fund and the expansion of the electricity network in Managua.

Of the $35 million granted to Nicaragua, $15 million is nonreimbursable financial aid, said the source.

The aid granted in donation is also to be used to help the people left homeless by the 1 September tidal wave and for advisers for the institutions that deal with natural resources.

The German aid also includes food and 23 experts who will be sent to assist in various fields, as well as 52 volunteers who will be sent by the German Technical and Social Cooperation Service.

Germany also granted 55 scholarships.

During the trip made by President Violeta Chamorro through northern Europe, the Nordic countries granted Nicaragua $38 million worth of aid to support the Economic Stabilization Plan. Those governments valued the reconciliation process undertaken in this country.

This was announced by Foreign Cooperation Minister Erwin Kruger upon his arrival in Managua from Finland, the last stop of the high-level delegation's tour that included Sweden, Denmark, and Norway.

Norway granted Nicaragua $7 million; Sweden, over $25 million in support for the balance of payments and the Economic Stabilization Plan; and Denmark granted $6 million, said Kruger.

Finland, the last country visited by President Chamorro during her 10-day tour of northern Europe, appeared amenable to writing off Nicaragua's debt, which is estimated at $20 million.

Chamorro thanked the Nordic governments for the cooperation, which she described as "important" for the construction of Nicaragua's development and democracy.

During Chamorro's stay in Norway, the Norwegian businessmen with whom she met, mentioned their interest in visiting Nicaragua to exploit the markets and invest money.

Swedish Prime Minister Carl Bildt hinted at the possibility of visiting Nicaragua in 1993.

Nordic countries have supplied Nicaragua with over $100 million a year, in addition to funds to activate Chamorro's reconciliation plan for Nicaragua.

Authorities in these northern European countries said that Nicaragua will become the most important client in Latin America, and despite the economic crisis the country faces, is the "most suitable for investment."

President Chamorro described her trip as "very successful" and mentioned the Nordic countries' "great fondness" for the Nicaraguan people and their reconciliation process.

Debt Reducing Talks With Germany Postponed

PA0411151792 Managua Radio Nicaragua Network in Spanish 1100 GMT 4 Nov 92

[Text] Erwin Kruger, Nicaraguan minister of foreign cooperation, has reported that the government of Violeta Chamorro has postponed negotiations with Germany to reduce Nicaragua's $750 million debt incurred by the previous government. Kruger added that the negotiations have been postponed until next year or late this year, depending on circumstances.

Kruger said the government has requested the writing-off of 90 percent of the debt incurred by the Sandinist government with the now defunct GDR.

* Sergio Ramirez on National Assembly, Property

93CA0009C Managua EL NICARAGUENSE in Spanish No 83, 28 Sep 92 pp 14- 15, 22

[Interview with FSLN National Directorate member Sergio Ramirez by Ariel Montoya; place and date not given; first two paragraphs are EL NICARAGUENSE introduction]

[Text] His membership in the National Directorate (DN) of the FSLN [Sandinist National Liberation Front] only became possible thanks to the political change that has come about in the Sandinist Front since the 1990 elections. In the following sense: ".... My experience as a Sandinist militant is that of a person seeking a path within a party." In this interview granted to the weekly EL NICARAGUENSE, Sergio Ramirez discussed this and other subjects of interest in terms of the current situation we are experiencing.

The subject of the "pinata," the cogovernment situation (which in his view does not exist), the subject of the Armed Forces, the parliamentary crisis, etc.—these are some of the topics dealt with in this interview, of which we are providing an extract.

[Montoya] What has your experience as a member of the National Directorate of the FSLN been like?

[Ramirez] My experience as a member of the political leadership of the Front is limited, dating back only a year. I acquired my experience in party leadership in the opposition, not in the party in power, although I do not mean to deny my responsibility for the actions of the FSLN throughout the 10 years of revolution. In this connection, I would say that my acceptance as a member of the National Directorate would not have been possible were it not for the political change which has occurred in the Front since the elections. My experience as a member, then, is that of someone looking for a path within a party. And within a party, moreover, that has had since February to deal with new realities. For example, the fact of being in the opposition, after having been in power—a situation in which the police and the Army must become bodies merged under the provisions of the political Constitution, and under the authority of a president of the Republic who is not a representative of the Sandinist Front. However, the worst way of dealing with the Sandinist Front and its internal situation, I think, is to make matters appear to be either black or white.

[Montoya] How do you view the changes in your party, in both domestic and foreign terms?

[Ramirez] There is no doubt that the bloc of socialist countries served as a material support for the Sandinist revolution. The material resources and the most important political support came from them—tractors, trucks, and open credit flowed in from the countries in the East. Close bonds of friendship were established, but not unanimous identification. In other words, Nicaragua did not become a signatory of the Warsaw Pact, like Cuba, for example, which mentions the Soviet Union by name in its Constitution, showing that this country was a part of the Soviet bloc. However, in terms of its political identity, the Sandinist Front suffered few effects from the fall of Eastern Europe.

Now, concerning domestic changes, I think that they have not ended. To the extent that the traditional model is being abandoned, the change is moving toward a real education in democratic fusion domestically and toward society.

[Montoya] Is it true that a Sandinist Front congress is to be held next December? What do you know about this?

[Ramirez] The idea was put forth at the penultimate Sandinist assembly by Daniel Ortega himself. However, there has not yet been any talk of a date. However, I will support such a congress. As a member of the DN, I agree that a special congress should be held, but not specifically for the purpose of electing new members of the Directorate. This does not seem so important to me.

[Montoya] What has your parliamentary experience as the leader of an opposition, and supposedly minority, bench been like?

[Ramirez] I believe that any new experience in the life of a politician is educational. I had never had any parliamentary experience except during my years in school, in the Student Congress. My experience in government was in the executive branch. This was a different experience, very often negative and isolating. I believe that when one governs from the top, one loses a realistic perspective. When one can no longer perceive what it is that the people are thinking—that is when government begins to make the most mistakes.

At the beginning of my parliamentary experience, it was difficult, because for the first time, we were serving in a parliament in which the Front was in the minority. I think that there will be a different atmosphere in the National Assembly next year, so that we can reach agreement on basic matters which are now being set aside. Perhaps because this body is not political in nature, political matters are always being postponed, because this is an area of confrontation—or vice versa. The experience in the parliament is different, because the first educational impulse one has is to listen to the opposition.

[Montoya] Are you referring to the property problem?

[Ramirez] Property, or the Armed Forces. But I tell you, this country should have an antinarcotics law by now, for example. Many people believe that this is unimportant because it is not a political issue.

Yes, it is true that we are in agreement on this. Just as I also think that a law should already have been drafted on copyrights, and other matters, but do the property and the Armed Forces issues here have their roots in this problem?

I think that what is lacking is a basic overall understanding. As a result, we are moving backward. I believe that there must be a framework for political coexistence. There is the UNO [National Opposition Union], there is the FSLN, and there is the government. These are three forces which must reach an understanding. It is like the parts of a ball-bearing mechanism. They must move together smoothly.

[Montoya] Within this overall understanding, what solutions can be found for the problem of ownership?

[Ramirez] The problem of ownership cannot be resolved by plundering all of those individuals who profited from properties in the ten previous years of the Sandinist government. It can be resolved by providing justice for those whose property was unfairly confiscated. The problem can be resolved in this way, but justice cannot be provided for them by taking the assets of someone

who has already been living on a property for eight or ten years. What is needed is to compensate those who suffered unjust confiscation in some other way. If I am told that a certain Sandinista obtained ownership of property illegally on the basis of Laws 85 and 86, then I think it should be taken from him.

Now, it is the task of the government to apply the existing laws, and it is for this purpose that there is an attorney general for justice.

[Montoya] Did the Sandinist government provide you with a home during your term as vice president of the Republic?

[Ramirez] Since 1979, I have lived in a house which was owned by Don Ignacio Maltez, who is of course a good friend of mine. When I moved into that house in December of 1979, it was owned by one of the Bank of America corporations. Don Antonio Medrano was the agent of the bank. He came in person to turn over the house to me, and I signed the lease, the rental agreement, with him. Later I bought the house, not under the provisions of Laws 85 and 86, but by means of a simple, ordinary bank transaction.

[Montoya] What is your opinion of the members of the so-called centrist group?

[Ramirez] I think that in terms of the Nicaraguan political reality, this is a government which did not have a parliamentary bench, and so what it has done is to undertake to develop a parliamentary group. This is because at a given moment, the government found itself between two opposing groups. Its natural opponent is the Sandinist Front, because we are the natural opponents of this government. Then there was the opposition of the majority of the parties in the UNO, which has been changing direction. Obviously, Cesar was at one time an ally of the government. Then he became a member of the opposition, and this forced us to change again. I do not know what will happen in the future. There will be other alliances, other blocs within the UNO, but there will not be a united UNO.

[Montoya] You have said that the government, caught between two opposition groups in the legislative chamber, lacked a parliamentary group that would support it. Is the emergence of this group linked then with the misappropriation of funds by the executive branch to purchase this support?

[Ramirez] I believe that this matter was manipulated politically. For if the report of the controller general had clearly accused Antonio Ibarra of being the man responsible for defrauding the government, or for the misappropriation of funds, that would have been more acceptable. But this was obviously used in an attempt to drag in the centrist deputies themselves and the minister of the Presidency. There is no basis for any criminal charges against these deputies or against the minister.

[Montoya] In other words, you cannot imagine that the deputies were bribed?

[Ramirez] I read the entire report, the hundreds of pages of the report of the Controller General's Office, and I did not find a shred of evidence that the deputies who were accused of having committed a crime were bribed. I did not find any such thing, nor did the attorney general for justice.

[Montoya] What is the balance between the two oppositions to the government you have mentioned that could result in cogovernment?

[Ramirez] The problem that I see in all of this is that there is no cogovernment. I believe that if the Sandinist Front were cogoverning with Dona Violeta, there would be fewer problems. Moreover, this would not be the first cogovernment to exist in Nicaragua. Anyone who delves a little into the history of this country will see that the Jerez Martinez cogovernment after the national war provided Nicaragua with years of stability, until almost the end of the 19th century. But currently, no such thing exists in real terms. Cogovernment exists as of the moment there is a single economic program, a single government program, and government responsibilities are shared.

I do believe that in connection with national stability, we have an obligation to seek agreement with the government. And this agreement will have to be measured in terms of the concessions, if we can use that term, made by the Sandinist Front. We have accepted the privatization in this country of everything we built up as the People's Property Sector—the return of land, real estate, etc.

[Montoya] Did you accept because you had already lost?

[Ramirez] No. Because we might not have accepted and agreed to having private banks. And a return to the parameters of the 1980's is not good for the Sandinist Front.

[Montoya] How do you see the situation of the Armed Forces and the police?

[Ramirez] You have here a police force and an Army that have suffered from the total organic elimination of the National Guard. Those responsible for the reorganization of this police force and this Army are the Sandinists. This is the reality, this is a matter of history, and we cannot change it. And these two institutions have been taking shape with commanders who emerged from the struggle against Somoza. Now, given that this new government has commanders in the police and the Army who are Sandinists (and not in the highest command positions alone), how can this be changed? Replacing Rene Vivas with Caldera is not the solution. Removing one Sandinist is not the solution. Caldera is a Sandinist too. And to whom, then, should we turn? Asking people from outside the police structure to impose military values upon it—this is no longer possible. It would have

been possible in a military body that was a part of a force with an orientation totally opposed to that of the FSLN. If the situation had been totally different, it would have turned things around. However, the situation was not resolved here in an antagonistic manner.

[Montoya] But the imposition of these principles, of the forced strategy you imposed during the last decade—might this not perhaps be the product of rejection of the specter of the Sandinist movement, which the people and certain political forces oppose?

[Ramirez] If you ask me from a political-ideological perspective whether it is true that we do not want Sandinists in the Army or in the police, then I must adopt another attitude. Because if indeed the Sandinists cannot be tolerated in these institutions, then they cannot be tolerated in civilian life, either. And I can only suspect that if what is wanted is to remove all of the Sandinists in order to put other individuals with a different political orientation in their place—well, then, man, I have to be "chiva" here.

[Montoya] On one occasion, you said you would not agree to run for the vice presidency again.

[Ramirez] That is true. I would never agree to that, and I reiterate that now.

* Pitfalls of Private Investment Described

93CA0009B Managua LA PRENSA in Spanish 7 Oct 92 p 4

[Commentary by Gilberto Morales B.]

[Text] If you want to invest in a beautiful country called Nicaragua, a country replete with beautiful scenery, a hospitable people, natural resources (we still have some), a government which does not govern, and a people without a government, think it over carefully. If you have already decided on the productive activity in which you will engage, you must adapt yourself to the following rules of the game.

1. If you want cheap land or property at a "pinata" price, get a job with the government first, and you will soon have it. If you already have it because you "worked" for it under the previous government or "obtained" it under the present government, and if it is already "legally" registered and free of encumbrances, your position is good. Otherwise, you will have to purchase the property or lease it at the highest prices on the continent, and there is nothing and no one to save you but yourself.

Recommendation: Do not buy and do not lease, because you will never be able to pay what they are asking for the property, nor will you be able to pay the rent if you lease. By way of example, a mean little room for use as a office in Managua will cost you between $500 and $1,000 per month. An old house in the environs of Managua, unsafe even before the earthquake, in which you could establish a business will cost you between $1,500 and $2,000 per month. Not to mention a regular building in downtown Managua, for which you must plan on $5,000 or more per month. If you are venturesome, go ahead. You will soon realize that you are working for the owner of the house.

2. If you own land or property, depending on the activity in which you are engaged, and if you obtained it in any of the ways mentioned above under the first point, you will need financing, and you will have to turn to the national bank or a private one. If you obtain financing from the state bank, they will charge you 22.5 percent or 24 percent annual interest, and for an average period of six months. The most likely thing is that you will not be able to keep up, and they will give you an extension. However, since the state bank is playing the game of the private banks, you run the risk of losing even what you do not have. Moreover, even if you do succeed in obtaining a loan at 20 percent per year, it is not because you are a good businessman, for you will have to pay extra commissions for the "connection," or in other words, an additional 10 percent per year "under the table." If you fall into the hands of the private banks and if they will not lend to you at a moderate flat annual rate of 20 percent (if they push the interest rate up), plan on finding yourself in serious trouble if you cannot make the payments. You will probably lose everything if you fall behind, for they are unforgiving. Nor will they give you an extension. If you succeed in obtaining a rate of 20 percent per year on the balance, the guarantee you will have to give is 200 to 300 percent, at least, of what they lend you. Then indeed, things will go very badly for you if you cannot pay up. If you fall into the hands of a usurious lender, he will collect between 6 and 10 percent per month from you, and for four centavos, he will ask you for the cathedral by way of a guarantee.

Conclusion: If the property is yours, you will be working for the banks and the moneylenders, and if you are renting, you will be working for the banks and the landlords.

3. If your activity is extremely profitable and provides you with enough to pay your fixed expenses, the rent, and the installment payments to the bank, and something is still left over, you will have to pay your taxes in full and in advance. If you do not do this, they will publish your name in the newspaper, they will discredit you, and you will be painted as a thief and tax evader.

Conclusion: You are now working for three implacable bosses—the landlords, the banks, and the revenue department.

4. Let us suppose that you are a quixotic individual and a die-hard fighter. You are industrious and prepared to risk everything you have in the hope of getting ahead one day, you are also managing to keep the landlords, the banks, and the tax collector happy, and you still have some money left over. It is a certainty, then, that you are a genius. However, the common thieves and confidence men can spot the geniuses, and when you least expect it,

bang! They will kill you for 100 cordobas, or will kidnap you while you are on your way home. As your poor wife will not be able to get the ransom money together, they will return you to your family, whole or in part, in a plastic bag.

Final conclusion: If you succeed in surviving while working for all four bosses, you will be faced with five possibilities.

1. Begin all over again and complete the cycle.

2. Go to work for the government, if you can find a good "sponsor" who can "hook you in."

3. Join the 70 percent of the work force currently unemployed and wait for fairer winds to blow.

4. Go into the black market as a means of surviving.

5. Resign yourself to the insane asylum.

Final note: In addition to what has been described above in this article, I forgot to say that in order to be a businessman in Nicaragua, you will have to deal with some additional small problems, such as the following:

1. Between one and two strikes a month affecting your activity and causing a sharp decline in sales, in addition to the existing recession.

2. A sustained and institutionalized chronic recession that prevents any business from growing.

3. Whenever there is a strike, your property will be splashed with paint, your windows and signs will be destroyed by rocks, and your place of business will be looted. None of this is covered by the INISER [Nicaraguan Insurance Institute], even if you have managed to pay your insurance premiums. The government never publishes a list of the businessmen who have suffered losses caused by mobs.

4. Energy cuts every blessed month and year that have a direct impact on production, driving costs up and further affecting sales.

5. If by pure luck, you are managing nonetheless, a hurricane or tidal wave will strike or a volcano will erupt. We will continue to be in difficulty, for we are all affected.

6. Since Nicaragua is a country supported by foreign aid, you will have to pay for the government deficit through increased taxes. Remember that our government officials like to make numerous trips in order to solicit further funds.

7. Sometimes the foreign aid allocations do not arrive, due to bad management. However, when they are received, the government may have something left for production purposes. It is likely, however, that when you realize that they are lending (they are not going to give you anything free), you will be unable to obtain anything. This will be because the sharks and those close to the people distributing the funds will have taken it all.

8. If you produce goods, you will have to deal with uncontrolled smuggling and technology that is inadequate, because we are 50 years behind the times.

You can draw your own conclusions.

Panama

Endara Congratulates Clinton on Election Victory

PA0411173692 Panama City Television Networks in Spanish 1605 GMT 4 Nov 92

[Letter from President Guillermo Endara to Governor Bill Clinton in Panama City on 4 November—read by announcer]

[Text] Dear Mr. Governor:

Please receive my congratulations and that of the Panamanian people for your overwhelming victory. The electors in your country have granted you a singular honor and a grave responsibility that transcends national borders.

May God enlighten you and guide your steps so that the decisions you have to make and implement during your administration will always be the best for the United States and for the rest of the countries of the world.

The country and people of Panama wish you and your running mate success in the term you will begin in January and express our unrestricted support in all the policies and measures that contribute to promote liberty, democracy, and progress worldwide.

Reiterating my congratulations for your victory, achieved after an arduous campaign, I remain,
Yours truly,
(Signed) Guillermo Endara Galimany

Endara Comments

PA0411165592 Panama City Television Networks in Spanish 1615 GMT 4 Nov 92

[Interview with President Guillermo Endara by unidentified correspondent in Panama City—live]

[Excerpt] [Passage omitted] [Correspondent] Mr. President, what is your opinion on Bill Clinton's victory in the U.S. elections?

[Endara] It was an overwhelming victory. I believe the American people spoke clearly. I believe Panamanians will get along very well with Mr. Clinton and the Democrats because we have always gotten along very well with the Democrats, especially those with Clinton's character, which reminds me very much of Carter because Carter was.... [pauses] rather, he is governor of a

southern state and has broad experience in politics. We did very well with Carter, and I believe we will do very well with Clinton, too.

[Correspondent] Do you expect big changes in U.S. policy toward Panama?

[Endara] No, I do not. I expect it to remain basically the same. [passage omitted]

Government Officials on Expectations

PA0411160392 Panama City Circuito RPC Radio in Spanish 1410 GMT 4 Nov 92

[Maria Elena Barrios report]

[Text] Ranking Panamanian Government officials and private sector representatives have reacted to U.S. President-elect Bill Clinton's victory on 3 November.

Victoria Figge, president of the Panamanian Association of Business Executives, expressed her views regarding Clinton's victory.

[Begin Figge recording] Clinton's victory is unbelievable. In contrast with the past 12 years, Clinton has his party's full support in the Senate and House. I believe that situation will prove quite interesting, and I hope it will be positive for Panama. [end recording]

Generally speaking, the individuals interviewed by RPC said that although they are unaware of the policies Clinton will implement in Latin America, they are optimistic that current policy will not change in view of the positive development the Latin American region is experiencing.

Second Vice President Guillermo Ford also expressed his views, agreeing with Figge about the expectation that Clinton will not change U.S. policy toward Latin America, and more specifically, toward Panama.

[Begin recording] [Ford] I hope the policy toward Latin America will not change because any change would be very harmful. I believe the United States has a very well-defined worldwide policy. If the United States turns its back on developing countries, we would simply be condemned to not exporting. The United States must open its markets to our exports. I believe U.S. policy has been defined and I trust that President-elect Clinton will not change that policy.

[Unidentified reporter] What does Panama expect from Clinton?

[Ford] We hope he will maintain that country's well-defined open market and economic modernization policies; otherwise our situation could deteriorate.

[Reporter] Has the Panamanian Government expressed [words indistinct] to the new U.S. President?

[Ford] I have not had an opportunity. I learned this morning that he won. I wanted to be sure of who would win. [end recording]

Later on, during the Flag Day ceremony near the Presidency, we were informed that the Panamanian Government, in fact, had already sent a message of acknowledgement to President George Bush and a congratulatory message to President-elect Bill Clinton. Reporters then asked Panamanian Foreign Minister Julio Linares about the Clinton White House's foreign policy.

[Begin Linares recording] President-elect Clinton's foreign policy is still unknown. Historically speaking, however, presidents from the Democratic Party have been more accessible to Latin America than Republicans. I can cite a few cases such as Franklin Delano Roosevelt, who promoted the Good Neighbor Policy; President Kennedy and his Alliance for Progress; and President Carter was also very positive for Panama because from the moment he took office he was determined to conclude the Canal negotiations. I hope President Clinton will follow in the path of his predecessors.

I am optimistic that Clinton's victory can greatly contribute to unity among the Panamanian people. [end recording]

Finally, Planning Minister Delia Cardenas also expressed her views regarding Clinton's victory and how it could affect economic agreements with Panama and the country's foreign debt payments. The minister emphasized, as did the other officials, that she trusts there will be no change in the policy of charging Panama through credit banks that have made loans to our country.

[Begin Cardenas recording] Agreements are agreements. I am sure the Americans, who are champions of democracy and have proven it with the result of their election, will respect all agreements. It is up to us to do our duty toward our country. It is up to us to set aside our personal interests, as well as the interests of the few in order to help the majority.

I believe that to the extent that we start working on 5 November with a new mentality, Panama's economic program will prove effective. We must think of Panamanians first, as the Americans are doing with their new policies. [end recording]

Further on Ford Comments

PA0511133492 Panama City Radio KW Continente in Spanish 1215 GMT 5 Nov 92

[Text] Panama's economic plan will not be affected by the election of the new U.S. President, Panamanian Vice President Guillermo Ford has said.

Democrat Bill Clinton, the governor of Arkansas, was elected the 42d U.S. President after leading his Republican opponent George Bush by a wide margin. Clinton

will replace Bush in the White House. Ford said this election will not affect the U.S. Government's plans and projects in Panama.

[Begin Ford recording] Panama and the United States have common interests, particularly the canal. We are sure about that issue and we will work so that the canal treaties can be fulfilled and so that important asset can be returned to Panama in 1999. There can be variables. Human beings are entitled to their own personal opinions. As a matter of general policy, I do not think this election should affect relations between the two countries, whose friendship ties have always been very strong. [end recording]

Regarding the possibility that the economic plan can be affected, Ford commented:

[Begin Ford recording] Neither the industrialists, the farmers, the cattlemen, nor any other country, for that matter, will be affected. [end recording]

The new U.S. President will implement a centrist, moderate platform removed from some of the Democrat Party's liberal views.

Editorial Comments

PA0411193892 Panama City CRITICA LIBRE in Spanish 4 Nov 92 p 4

[Editorial: "Bill Clinton's Victory and Panama's Future"]

[Text] The Americans, tired of 12 years of Republican administrations, on 3 November elected Arkansas Governor Bill Clinton as new president of the United States of America. That victory makes the party that was installed over a decade ago by former actor Ronald Regan and George Bush lose its hegemony over the White House.

A deciding factor in Bush's defeat was his distracting attention from national problems to gain international leadership. The invasion of Panama in December 1989, the Persian Gulf War, the collapse of communism in Eastern Europe, etc., were not enough for President Bush to convince the voters that he was the real alternative for overcoming the serious economic crisis affecting the United States. The serious social problems, which caused a crisis with the violent racial disturbances in Los Angeles, marked the beginning of the end for Bush, who did not understand the priorities for solving such problems. The inflation spiral and the increase of the U.S. foreign debt were problems that were postponed by Bush, who did not realize the pride of the American people had been tarnished by their having lost the economic leadership that the leaders of the Potomac had flaunted in the past.

Those who govern Panama should look at themselves in the mirror because the result of the U.S. elections is due to their leader placing the people of the United States second in priority and postponing their main needs. As former Democratic President John Fitzgerald Kennedy, assassinated 29 years ago, once said: "We must learn the lessons of the past so as not to repeat them."

Besides Kennedy, killed on 23 November 1963 in Dallas, the Panamanian people have had experience with another Democratic president: Jimmy Carter, who signed with Omar Torrijos, the treaties that bear their names. With Clinton we will have to wait and see because he has less commitments with Latin America and, thus, with Panama. Therefore, our government will have to strengthen its team of negotiators so the agreements signed with Jimmy Carter's democratic government are fulfilled.

The world's most powerful nation has a new president-elect, Bill Clinton, thus confirming all the results of the polls that showed him as the winner. His running mate, Albert Gore, is little known in the Latin American world, but we hope that, after the bitter experiences of the Big Stick policy of many years ago, we will be able to achieve another Good Neighbor policy and a real and authentic Operation Friendship, inaugurated by Joseph Farland during a democratic administration. That better relationship with Panama must be a goal so that the wounds caused by an invasion that traumatized a whole nation may someday heal.

President Endara Sends Letter to President Bush

PA0411171192 Panama City Television Networks in Spanish 1601 GMT 4 Nov 92

[Letter from President Guillermo Endara to U.S. President George Bush on 4 November from Panama City—read by announcer]

[Text] Dear Mr. President:

History will record the past four years as a period of great change and incredible achievements for the benefit of peace and liberty of the people. You will be linked forever with these important events for humanity. As a result of these, and many other positive events, you will be worthy of the respect and admiration of all men of goodwill of this and future generations.

I am proud to have established and maintained with you a frank and open relationship based on mutual confidence, reciprocal respect, and the decency you characterize.

Both of our countries have benefited from this relationship. I wish you and your worthy wife all of the deserved happiness in the coming years.
Sincerely yours,
(Signed) Guillermo Endara Galimany

Commentary Praises Bush

PA0411153392 Panama City LA PRENSA in Spanish 4 Nov 92 p 1A

[From the "As of Today" column]

[Text] The leader of the world's most powerful country has admitted the victory of his Democrat Party opponent with exemplary humility, dignity, and elegance. The U.S. people, concerned about their domestic realities, voted for a change—regardless of its consequences. To a certain extent, they voted to protest 12 years of Republican government and the economic recession simplistically attributed to this government.

History will remember George Bush as one of the most distinguished presidents. During his mandate, the world's geopolitical map changed completely with the collapse of the Soviet empire, Europe's economic unification, and the Persian Gulf war. As for Panama, had it not been for Bush's decision, the country would still be suffering under the barbarous military dictatorship that used and abused political power in a systematic violation of human rights for two decades. The new U.S. President will undoubtedly bear great responsibilities and face tremendous challenges. Nevertheless, the end of the cold war and the reality of disarmament will make his task much easier than it was for his predecessors, due to a large extent to the wisdom and common sense that marked Bush's foreign policy.

Local 907 Issues Statement Against Draft Bill 16

PA0111213892 Panama City LA ESTRELLA DE PANAMA in Spanish 1 Nov 92 p A8

["Communique to the Nation" by the "Panama Canal Workers Union Local 907" on Draft Bill 16 establishing the Interoceanic Region Authority, issued in Panama City on 31 October]

[Text] Considering the terrible threat that is pending over the Panamanian people's most sacred interests and which directly affects the present and future of all who inhabit the Republic of Panama, Panama Canal Workers Union Local 907 publicly denounces the objectives of a group of unscrupulous politicians and businessmen who are conspiring to have the unpopular Bill 16 approved in its first debate. The bill would establish the "Interoceanic Region Authority, [no end quotation marks as published] the only objective of which, being the bestowal on said agency of limitless power to manage, sell, grant, award, lease, transfer, or release all properties reverted or to be reverted to Panama by virtue of the Torrijos-Carter Treaty.

This authority would have wide ranging powers and independence to exercise such ends, from granting permits through implementing bids.

In light of the intent to legalize said authority within the framework of the most absolute administrative corruption and government mismanagement, events reported daily by the media and which tend to undermine the nation's real interests, we can do no less than raise our strongest voice of protest. We condemn the conduct of those groups who, behind the backs of the Panamanian people, pretend to deprive us of what belongs to us all by virtue of our own right, and divide it among the group of ever powerful businessmen who have always legally used and enjoyed their power to the detriment of the most humble sectors of Panama.

We also demand that the Canal Affairs Commission immediately suspend all attempts to approve Bill 16 until such time as when the government in power has submitted its plan for the future of the reverted areas to the Panamanian people to decide.

We forewarn all Panamanians to remain alert with respect to the government's intentions. By resorting to the constitutional reforms smokescreen, it attempts to distract public attention and pass a law that will allow it to comfortably distribute what rightfully belongs to the people.

No to the reforms, no to Bill 16.

[Signed] Eddie Almillategui, Public Relations
Luis Rivera, Social Affairs
Ray Bishop, Secretary General

[Issued] Panama, 31 October 1992

Argentina

President Menem Comments on U.S. Election Results

PY0411184892 Buenos Aires Radio Nacional Network in Spanish 1500 GMT 4 Nov 92

[Report by Silvina Martinez Porta on excerpts of a news conference by President Carlos Menem with unidentified reporters at the Government House in Buenos Aires on 4 November; passages within quotation marks are recorded]

[Excerpts] President Carlos Menem asserts that everything will remain the same after Democrat Bill Clinton's victory in the recent elections, which will take him to the White House in January 1993. [passage omitted]

After saying he has already sent a letter congratulating Clinton on his victory, Menem added the following regarding relations with the United States:

[Menem] "Everything will remain the same, and as we advance in our process of transformation, we will certainly seek to further improve these relations.

[Reporter] "In an interview on U.S. television channel 13, Mr. Bill Clinton praised your government program, and said he will support you, as Mr. Bush did.

[Menem] "I listened to Clinton's words, and then read a report on them. When we began implementing the process seeking to reorganize our administration about two years ago, some Democratic and Republican congressmen said similar words here at my office in the Government House. They admitted the United States might be forced to adopt some of the measures we were implementing in Argentina. The only doubt was who would have the courage to begin a transformation process similar to the one we are implementing here. Now, we will see whether Clinton will implement measures that will allow his country to overcome its current crisis. It is not an easy crisis, it is difficult. They have recession, unemployment, poverty. These are the difficulties being experienced by the most powerful country in the world."

Menem added that he will telephone President George Bush to greet him and to encourage him to continue working for the United States from the opposition.

In a news conference granted at noon today, Menem commented exclusively on the U.S. elections, which were held yesterday. Asked whether it was true that one of the first measures Bill Clinton would implement consisted of increasing subsidies to the agricultural sector, Menem said:

[Menem] "I have heard nothing about that. I have heard Clinton will increase taxes, seek to assign more funds to public works and thus increase the number of jobs and reduce expenses. In other words, he will implement a series of measures which, I insist, are rather similar to the ones we adopted here in Argentina. As far as an increase in subsidies is concerned, I have not heard him say anything about it. I will wait until there is an official report on the issue. However, I think it would be absurd to adopt such a measure because, within the framework of GATT, the countries that are hurt by this sort of policy, which is not only adopted by the United States but also by the EC, are protesting against it. Therefore, I doubt the United States would adopt such a measure. I repeat, I have not heard anything about President Clinton's alleged comments."

Menem also deemed it logical that all presidents should first concentrate on solving their countries' domestic problems, although without overlooking the importance of foreign relations. In this sense, Menem said he believes Clinton will intensify efforts to enable the country to overcome its domestic crisis while harmonizing efforts to solve domestic and international problems alike. Menem said he did not believe it would be advisable for the United States to lose its position as international leader, particularly when in order to attain that position it had to face several difficult situations, such as the two world wars, the Korean War, the Vietnam War, the fall of the Berlin Wall, and the Persian Gulf war.

Asked whether he believed Bill Clinton would continue implementing the America's Initiative program, which was devised by George Bush, Menem said:

[Menem] "In addition to some reports I listened to last night, I happened to read today that President Clinton plans to continue implementing the same policies related to President Bush's America's Initiative. I believe he said that in the interview with channel 13.

[Reporter] "Will you try to establish personal relations with Clinton, similar to your relations with Bush, so that based on these personal relations you can ensure Argentina's good relations with the United States?

[Menem] "I believe that good U.S.-Argentine relations are not based on President Bush and Carlos Menem's personal relations. They are a result of policies that have been nearing each other throughout our years in office, and these policies have never harmed our personal relations. I believe this occurs with all chiefs of state, with all presidents. Normally, relations between countries are similar to the good relations enjoyed by good neighbors and good friends. Therefore, as soon as President Clinton and the Argentine president meet, we will discuss issues that not only refer to the countries we represent, but also to our personal interests. This is normal and logical."

Asked whether he believed that the United States should now be more concerned with Latin America, President Menem said:

[Menem] "Regarding this war that has been going on among the most powerful international blocs—not a military war, but an economic one—regarding the war that has been going on among the EC, Japan and its

Asian allies, and the United States, I believe the United States will preserve its good relations with Europe, but I am not sure it will be able to penetrate into Europe. To do that the United States must be strong, and I believe it will become economically stronger. I believe it will overcome its crisis and grow, but it will need allies to do that, and such allies are here on this continent. As far as is possible, these allies will also seek to grow, parallel with the world's most powerful nation."

During the news conference, Menem was also asked why he believes George Bush was not reelected:

[Menem] "Although things did not go right domestically, during Bush's administration the United States achieved great things at the international level. According to statistics, during the Republican administration, nearly 2 million jobs were lost, the deficit increased, and the fiscal imbalance became humongous. As a result, people's reaction to the possibility of reelecting President Bush has been impressive, as shown through their votes."

These were the comments President Menem made at 1200 today in the Government House press room. During the interview, he commented exclusively on the U.S. elections, which Democrat Bill Clinton has won.

Denies Clinton Victory To Hurt Ties

PY0411134692 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0412 GMT 4 Nov 92

[Text] Buenos Aires, 3 Nov (NA)—Argentine President Carlos Menem said this morning that U.S. President George Bush was defeated by Democratic candidate Bill Clinton because it was time to pay the cost of policies that sought to put the United States in a position "to lead the international order."

The Argentine head of state said that Bush's ample defeat at the hands of Clinton is simply "the result of policies that were wrong domestically although brilliant at the international level" [words indistinct] last Republican administrations.

"Bush had a very exceptional foreign policy. The Berlin Wall fell and the Cold War ended during his administration. However, all this was done at a domestic political and economic price that carried the country into a recession. The U.S. people showed their discontent through their votes," said Menem at the end of the annual Charitas dinner at the Palermo Fair.

Menem said: "The United States made great efforts to lead the international order, and this has taken its toll. The Republican Party is paying the price today."

Menem reiterated that Clinton's victory in the United States "does not mean that we have to start new relations" between our two countries. We must "intensify and improve our present relations as much as possible."

Menem said the Democratic Party victory "will not influence U.S. relations with Argentina and the rest of Latin America."

"Relations will be the same; we do not have to change anything; we merely have to improve them," the head of state argued.

The president said that "on our part there is no decision" on the possible change of U.S. Ambassador Terence Todman. "The ambassador continues in his post, and I do not see any reason to change him," Menem emphasized.

Regarding U.S. protectionist policies in agriculture over the past few years, Menem said Argentina "will pursue this matter" because "not only the United States but also EC countries maintain protectionist policies."

"We will continue to pursue this matter at GATT because it hurts our international trade, particularly the agriculture protectionist policies. These policies affect countries other than Argentina. Other countries suffer the effects of these policies. The United States and Europe give more than $300 billion in subsidies to their producers. We will continue to seek the end of this constant state of unfairness," Menem said.

After reiterating that it was a "resounding victory," Menem said he expects to call Clinton in the next few days to congratulate him on his victory. Menem said he would prefer to do it "tomorrow or the day after" so as "not to disturb the well-deserved rest that Clinton will probably now take."

"The Argentine Embassy in the United States will make the appropriate contacts," the president said.

Menem also said President George Bush "must start preparing for the next elections in four years."

"The nice thing about politics is that revenge is always possible," Menem added.

Asked if he will learn to play baseball so he can share a game with the U.S. President-elect, Menem smiled and said: "Maybe he can learn to play tennis."

Menem said he is convinced that "we are close to an economic war: Japan on one side, the EC on another side, and the United States on a third side."

"I do not think Europe or Japan [words indistinct]. The United States only has the American Continent left. The United States has to [word indistinct] here to be able to face this approaching economic war and win. The democratic administration must, if it is realistic, keep its eyes on Latin America," Menem concluded.

'Needed' Fuel Tax Reduction, Elimination Viewed

PY0411182292 Buenos Aires Radio Nacional Network in Spanish 1500 GMT 3 Nov 92

[Excerpt] President Carlos Menem is scheduled to sign an urgently needed decree to reduce or eliminate the fuel tax. This measure is part of the economic announcements made by the economy minister last week.

Just 10 days after the decree is published in the official gazette, taxes on gas oil, fuel oil, diesel oil, aviation gasoline, kerosene, solvent, and turpentine will end. The decree also establishes that the tax on gasoline will be reduced between 5.5 and 9 percent. The largest tax cuts will be on gasoline with lower lead content. [passage omitted]

Budget Analyzed With Respect to Defense

PY0411175092 Buenos Aires LA PRENSA in Spanish 3 Nov 92 Section 3 p 4

[Article by Rosendo Fraga]

[Text] The budget is a political tool par excellence. It is the law used by the executive branch, with the approval of Congress, to allocate public funds.

For a better understanding of the Argentine strategic-military issue, one must assess the percentage of the national budget allocated for defense.

For a start, it must be pointed out that next year's national budget forsees expenditures amounting to 39,650,059,134 pesos, that is, almost $40 billion.

According to the budget distribution by areas, that is, all items related to the Defense Ministry regardless of their purpose, the defense budget represents 10.1 percent of the national budget, that is, 3,994,098,000 pesos, or almost $4 billion. The Defense Ministry budget comes third after the Labor and Social Security Ministry—including pensions—with 42.4 percent, and then the treasury with obligations amounting to 13.3 percent. The Education and Culture Ministry has 4 percent, the Economy and Public Works Ministry 7 percent, the Health and Social Action Ministry 2.5 percent, the Interior Ministry 4 percent, and so on. It would seem, from the viewpoint of the budget distribution by area, that to allocate $4 billion for defense is enough, or even excessive.

Comparing the evolution of overall public expenditure, we find that the 1993 budget has increased 17.4 percent compared to this year. While the 1992 budget expenditures amounted to 33,774,327,676 pesos, 1993 expenditures will increase by 5,875,731,458 pesos. This means public expenditures will increase by almost $6 billion compared to 1992. Still assessing the budget by area, we find that the one with the greatest increase is the Health and Social Action Ministry, with a 59.7 percent increase; followed by the Labor and Social Security Ministry, which has experienced a 32.9 percent increase; the Education and Culture Ministry with a 23.5 percent increase; the Interior Ministry with an increase of 17.7 percent; and the Foreign Ministry with a 4 percent increase. The Justice Ministry budget is reduced by 3.5 percent and that of the Defense Ministry by 1.1 percent (43,412,938 pesos). These are the only ministries that will spend less in 1993 than in 1992. Therefore, if defense represents 10 percent of the 1993 national budget, it is the only ministry (along with the Justice Ministry) that reduces its expenditures compared to those in 1992.

Assessing the budget according to its purposes, we find that what is allocated specifically for defense purposes—to the three branches, Army, Navy, and Air Force—amounts to only 2,028,804,000 pesos, or $2 billion. This means the Armed Forces have only half of the resources earmarked for the Defense Ministry. The other half is earmarked for the security forces (Border Police and Coast Guard) under the Defense Ministry, the military industry, the Antarctic National Directorate, the Border Superintendency, and so on.

From this viewpoint, only 5 percent of the national budget, not 10 percent as it seems after examining the budget by area rather than by objective, is allocated for the Armed Forces. From the other viewpoint, defense by objective increases its 1993 budget by 12 percent compared to 1992, that is, it increases by $40 million. This increase may be the result of the reduction of expenditures in Defense Ministry areas other than the Armed Forces—amounting to approximately $80 million—with which the overall defense budget by area has shrunk, as we saw earlier. While the defense budget by purpose increases by only 2 percent, domestic safety increases by 2.8 percent, and the prison system increases 6.8 percent. It must also be pointed out that specific items in the social field, such as the potable water and sewage system budget, increases by 285.9 percent, and social welfare and promotion increases by 219.6 percent.

The third alternative is to analyze budget expenditures according to their objective and economic classification. The two major categories from this viewpoint are running or operating expenses, and capital or investment charges. In the case of defense and security, running expenses (personnel and operation) totalled 97.5 percent of total expenses, while those for capital or investment charges (purchase of new equipment, construction, and so on) represent only 2.5 percent. An average 10 percent of the $40 billion budget is earmarked for capital charges, 40 percent for economic services, 10 percent for government administration—on average—and even in social services the capital charge is 5 percent of the total.

Returning to the first point we raised, we find that if defense expenditures by area total 10 percent of the budget—that is, the effective percentage earmarked for the Armed Forces—this represents half, or 5 percent. But retirement funds and pensions are included in the $2 billion, as opposed to the other areas which include this expense (education, health, and so on) in Social Security.

If we exclude the approximately $800 million earmarked for military retirees and pensioneers, only $1.2 billion are allocated to the Armed Forces (salary and operation).

As for comparisons with the health and education areas, it should be noted that in both cases the amounts earmarked for them in the budget must be multiplied by four. In the first case, because provincial health expenses are higher than those at the national level, to which health expenses in the social welfare system and those of private medicine should be added. Thus the total health expense in Argentina stands between $5 and $6 billion, four or five times higher than the defense expenses, which were strictly outlined. A similar situation occurs in the education field, for which $1.6 billion are earmarked, plus the $2 billion assigned to the provinces and $1.5 billion to private education. This represents an expense four times higher than that earmarked for the defense area.

This brief analysis leads to the following conclusion:
a) General defense allocations—covering all activities and areas under the Defense Ministry—amount to 10 percent of the total budget. Yet only 5 percent has actually been earmarked for the Armed Forces. If we consider the amount that has been earmarked for retirement allowances and pensions, as in the other areas, the allocations drop to only 3 percent.
b) Taking into account that the funds going to the defense area are only those coming from the national budget—while budget allocations for areas like health and education should be multiplied by four or five, because of spending in provinces in the private area and in the area of social labor works—it can be concluded that defense spending in Argentina is lower than spending on education or health.
c) While public spending will increase by 17 percent in 1993 with respect to 1992, Defense Ministry allocations will drop by one percent, that is, by approximately $40 million. However, Armed Forces allocation grew by the same amount. This means a slight change, whereby the Armed Forces have begun to receive funds at the expense of the non-military areas of the ministry.
d) The $4 billion allocation for defense spending is the maximum that Argentina can earmark for this area in the short and in the medium term. Yet the $1.2 billion that was actually earmarked for defense spending—of which approximately 75 percent are for paying salaries and only 25 percent for operation expenses—is clearly insufficient for maintaining the military system. Rechanneling part of the general defense spending to the Armed Forces appears to be justified in improving the military system and making feasible the policies of modernization, restructuring, and streamlining.

Defense Minister on Steel Plant Privatization

PY0411204092 Buenos Aires LA PRENSA in Spanish 3 Nov 92 Section 1 p 4

[Text] Defense Minister Antonio Erman Gonzalez publicly supported the terms under which Somisa [Argentine Iron and Steel Joint Association] was privatized. He said "it is not true" that Somisa had been sold for $140 million. Gonzalez noted that it was actually transferred to the private sector for "a total amount of $420 million," as reported by LA PRENSA.

The defense minister also ruled out any possibility of ordering a salary increase for the military sector, because "the fiscal situation does not allow a generous resolution" of this problem.

The defense minister, who denied reports circulating on Somisa's sale, noted that the $140 million corresponded to a "cash payment," to which "$12.1 million in securities, $12.5 million in labor costs involved in the transfer, and $250 million in debts transferred to the awardee" must be added.

Gonzalez noted that, concerning Somisa's privatization, two inaccuracies had been voiced: the first on the sale's final total; and the second on the alleged inclusion in the company's assets of a "roller train, a piece of equipment that seemed to be such a valuable little jewel that it cost $250 million in 1977, and today is being auctioned at a $3 million reserve price, a piece of equipment in which no one is interested."

Concerning this point, the defense minister noted that Argentine officials and Somisa "made a bad deal" when they purchased the roller train, because it happened that "it was not such a little jewel as was believed."

The defense minister explained that "the building on Belgrano Avenue, the four floors in the Catalinas Building, Somisa's hotel and golf course in San Nicolas, and that roller train" are not included in the company's assets transferred to the private sector.

Asked about the salary situation in the military sector, Gonzalez said "it represents an ongoing concern" for the government, but "for the time being, we cannot grant any increases."

The defense minister noted: "It must be understood that the fiscal situation does not allow for a generous resolution, not even by granting a salary increase at this time, as the government would like."

Concerning U.S. Joint Chief of Staff Colin Powell's upcoming visit, the defense minister explained that this visit is part of the "exchange, cooperation, and rapprochement between the Argentine and U.S. Armed Forces."

Stock Exchange Supports Export Incentives

PY0511015092 Buenos Aires BUENOS AIRES HERALD in English 30 Oct 92 pp 1, 3

[Excerpt] (DYN-NA)—The Buenos Aires stock exchange reacted favourably to Economy Minister Domingo Cavallo's Wednesday [28 October] announcement of export incentives and import barriers, with blue chips and the Merval index rising by almost ten percent yesterday.

On Wednesday, Cavallo announced a 7 percent hike in the statistics tax on imports, which will rise from 3 to 10 percent as of Monday. Additionally, exporters will benefit from export refunds worth some 500 million dollars, to be financed by the reduction of other subsidies.

Yesterday, Bolsa trading volume soared to 95.08 million pesos, the highest since June, with 56 shares up, against six declines and eight unchanged. Export firms, the most benefited by Cavallo's Wednesday economy package, showed the largest increases. Sol Petroleo and Ipako increased 15 percent, Siderca (which was awarded Somisa steelworks) and Atanor rose 14 percent, Alpargatas 13 percent and CIADEA [expansion unknown] and Renault 12 percent.

Economist Roberto Lavagna said the export-boosting measures and import taxes were implemented to offset a decline in fiscal revenues caused by a general decline of economic activity. Industry and farm representatives broadly agreed that the measures would have a positive effect by curbing foreign imports currently flooding the local market, but disagreed in their assessment of the inflationary impact of import duties. [passage omitted]

Farmers End Strike After Driving Up Meat Prices

PY0411225592 Buenos Aires BUENOS AIRES HERALD in English 4 Nov 92 pp 1, 9

[Text] (DYN-NA)—The farmers' strike officially ended yesterday after two days of road blocks, marches, rallies with farming equipment and a one percent increase on meat prices to go along with Monday's four percent rise. Members of the Federacion Agraria (FAA) [Argentine Agrarian Federation] in the provinces of Chaco and Formosa have extended the protest through today "due to the terminal situation" of the farmers in those regions.

The decision not to send cattle to market had the greatest effect of all the measures, causing wholesale meat prices to rise at least five percent, with the expectation that the strike will contribute to a November inflation index of more than one percent.

FAA President Humberto Volando said that hardly a single head entered the markets of Rosario and Cordoba. He blamed the arrival of a few thousand head at Liniers market on "Menemist ranchers."

Economy Minister Domingo Cavallo called the strike "ridiculous" and attributed the measure to those "farmers who are making signs of a return to the past." Visibly bothered by the protest, Cavallo said "these gentlemen are not going to get us to make any kind of decision that isn't a function of the general interest."

Volando responded: "Cavallo needs to be given lots of tilo tea to calm him down." The FAA was the only one of striking agricultural organizations to call for disruptive measures. Coninagro [Agricultural-Livestock Intercooperative Confederation] and the CRA [Argentine Rural Confederations] held assemblies in place of road blocks.

Some 4,000 producers took part in FAA-sponsored nationwide demonstrations against the government's economic policy. More than 800 farmers gathered in the city of Parana to hear Volando speak. In Santa Fe province more than 600 gathered in Armstrong and another 500 in Zavalla to listen to other FAA leaders criticize the economic programme.

FAA Vice-President Rene Bonetto told gatherers "this is the first stage of a fighting plan that we are ready to intensify if there is no response from the government." He said that farm workers would continue to carry out disruptive measures "if the authorities hide behind a proud position and don't respond to our demands."

Road blocks and tractor congregations took place yesterday in Chaco, Formosa, Rauch, Guamini, Rivera, La Pampa, Tupungato (Mendoza), Cordoba and Junin (Buenos Aires).

CRA leader Arturo Navarro called the protest "massive, successful, highly satisfactory and a way to get the attention of the government authorities."

Bolivia

MIR Leader, Presidential Spokesman on Clinton Win

PY0411201892 La Paz Television Nacional Network in Spanish 1700 GMT 4 Nov 92

[Text] In the opinion of MIR [Movement of the Revolutionary Left] leader Oscar Eid Franco, the results of the elections in the United States reflect a generational change in the U.S. political and economic leadership.

Jaime Cespedes Toro, presidential spokesman and information minister, said that the Bolivian chief of state did not favor either of the two U.S. presidential hopefuls in particular.

Upon his arrival from the United States, Oscar Eid Franco, acting chairman of the new MIR majority, commented on the U.S. elections:

[Begin recording] I had a chance to attend both the Democratic and Republican conventions. In today's world one must closely watch all the processes that are under way, especially in the political electoral field, which is my field. I was also able to attend yesterday's elections, and hope also to be there on 20 January for the presidential inauguration. As I have informed the president, the elections—aside from all the information that has circulated throughout the world—represent a generational change in the U.S. leadership. There are also subjects that refer to specific policies, such as employment, the path the country must tread, and the very role the United States must resume or review within the context of all these changes in political and economic relations at the international level. This generational change is very similar to what happened in Bolivia in 1989, where such an important and historic leader

representing the [word indistinct] generation as Victor Paz Estensoro was succeeded in government by the leaders of a new generation that was more in step with Bolivian democracy. These are some of the similarities, but other aspects will surface as time goes by because as far as we can make out, all efforts will not be focused on putting the house in order. I think this is one of the U.S. public's main concerns. They will also review their own international relations with different continents and countries. We will be particularly interested in learning their decisions on Latin America. [end recording]

The information minister, in his capacity as spokesman of President Jaime Paz Zamora, also referred to the U.S. elections, emphasizing the great quality of the relationship between the two countries.

[Begin recording, in progress] [Cespedes] ...best wishes. The president is probably going to send his two messages this morning.

[Unidentified reporter] What was the president's reaction to Clinton's election? Yesterday, in a statement made at the airport, President Paz Zamora suggested that President George Bush was his candidate.

[Cespedes] No. The president has expressed no preference for either of the two candidates. We have followed the development of the U.S. elections together with the president. After Clinton's overwhelming victory I can say that some of us believe he was the most popular candidate, not because he was our favorite but because this was reflected in the polls. In this sense we see that the results of those polls were more or less accurate.

[Reporter] In what is the Bolivian Government most interested regarding changes in U.S. policy, especially Clinton's policy, toward Latin America?

[Cespedes] Our relations with the United States are very clear, and we do not depend economically on our commercial relationship with the United States, as is the case with Mexico, Brazil, Japan, and Europe. Those countries will probably experience a greater impact due to the measures announced by Mr. Clinton in his program to reorganize the domestic market. As for us, unfortunately, I repeat, unfortunately, our relationship is most broad in the struggle against drug trafficking. In this regard we believe the success of our coca substitution program will be endorsed. Greater emphasis will be given to this substitution program rather than to the militarization of the struggle. [end recording]

Army To Provide Transportation for Antidrug Tasks

PY0411144092 Santa Cruz EL MUNDO in Spanish 22 Oct 92 Section 2 p 4

[Text] La Paz, 21 Oct (FIDES NEWS AGENCY)—As of 1993, military task forces will support the struggle against drug gangs, whenever the president orders them to do so. The military will provide logistic support such as patrol boats, helicopters, and trucks from the Bolivian Army transport battalion.

Defense Minister Alberto Saenz Klinski explained: "The Armed Forces will participate in drug enforcement by rendering logistic support to help transport UMOPAR [Mobile Police Unit for Rural Areas] troops by water, air, and land to different places in the country."

He made it clear that Armed Forces special units will not be directly involved in drug enforcement. Currently there are two special units: the Air Force "Red Devils" and the Navy "Blue Devils."

For many years these two units have been operating the helicopters, planes, and patrol boats that take Special Antinarcotics Force personnel to areas where traffickers operate.

For the time being the Army is the only branch of the Armed Forces that has remained uninvolved in drug enforcement. Army Commander General Oscar Escobar Quiroga has reported that as of 1993 a transportation battalion could be trained to perform special tasks related to drug enforcement.

Gen. Escobar explained: "We have no set starting date but we believe training will begin next year, once the military aid arrives."

He said training will be conducted by Bolivian drug enforcement experts, which means that the arrival of more U.S. personnel is out of the question.

The Army commander explained that the transportation battalion will render only logistic support to the antinarcotics struggle, provided "the promised U.S. military aid arrives."

The defense minister said that while supporting drug enforcement operations, the military task forces will follow orders from the National Council Against Drug Abuse and Illegal Drug Trafficking (CONALID).

He added: "Once the transport battalion is assembled, equipped, and trained, its only job will be to transport UMOPAR personnel who will conduct the appropriate operations."

According to the agreements that Bolivia and the United States have signed, the latter has promised to equip a transportation battalion.

Brazil

President Franco Congratulates Clinton on Victory

PY0411161292 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 4 Nov 92

[Text] President Itamar Franco sent a telegram to U.S. President-Elect Bill Clinton this morning expressing his confidence in the future of Brazilian-U.S. relations.

President Franco discussed Bill Clinton's victory in the U.S. elections as soon as he arrived at Planalto Palace this morning. Franco gave correspondents a copy of a message he wrote at home on the U.S. election's significance to Brazil. The message begins by recalling that U.S. President Franklin Roosevelt said in 1940 that the United States should be the great arsenal of democracy. President Franco said the best arm of democracy is its capacity for renewal within the state of law and order.

President Franco sent a telegram to President-Elect Bill Clinton at noon, an affectionate message of congratulations from all Brazilians conveying best wishes for success and full confidence in the future of our relations, which today are marked by exemplary maturity.

CIS, Singaporean Delegations Seek Trade Increase

PY0511001292 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 4 Nov 92 Economy and Business Section p 9

[Text] Delegations from the CIS and Singapore met with Brazilian businessmen on 3 November in Sao Paulo. The CIS delegation, which is made up of 15 businessmen and representatives from associations, has indicated that it wants to have the same volume of transactions, some $3 billion per year, that Brazil had with the dissolved Soviet Union. Trade between Brazil and the CIS today amounts to some $1 billion.

The delegation from Singapore, which met Sao Paulo State Federation of Industries (FIESP) members, indicated that its objective is to increase exports to five Latin American countries: Brazil, Argentina, Mexico, Chile, and Panama. Singapore's trade with those countries amounts to $1.9 billion, and Brazil has 26 percent of that volume of transactions.

During the negotiations, the CIS offered helicopters, planes, and high technology in the biochemical, metallurgical, energy, heavy industry, and naval areas. The CIS intends to obtain from Brazil machinery and equipment to freeze dry food, oranges, soybeans, corn, edible oil, sugar, milk, shoes, clothes, chocolate, and fruit. "Everything will depend on the prices," said Viktor Volsky [name as published], president of Laimex Foreign Trade and the Russian Academy of Sciences' Latin American Institute, the organization that collects information on CIS economic activities. "It is the market economy that runs things now."

In view of the possibilities of doing business, 42 Brazilian enterprises, including Sadia, Santista, Kaiowa Meat Packing Plants, and Swift-Armour, participated in the first Brazil-CIS Sectorial Meeting that was organized on 3 November by Soyuz of Brazil, which is responsible for the CIS delegation's first joint venture [preceding two words in English]. Soyuz of Brazil joined up with Welbras and the Paton Institute to manufacture electrodes, and the factory will begin production in 1993.

Angolan Foreign Minister Requests War Relief Aid

PY0511000692 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 4 Nov 92

[Report by Antonia Marcia Valle]

[Text] Angolan Foreign Minister Pedro de Castro Van-Dunem asked the Brazilian Government to help the victims of guerrilla attacks by the UNITA [National Union for the Total Independence of Angola]. Minister Van-Dunem said the guerrillas' cruel actions spread rapidly across the whole country. Despite the intensity of the guerrilla actions, he said, the government has the situation completely under control, but given that road traffic in the country has been totally interrupted, there is a lack of food, clothes, medicines, and blood for the victims.

The Angolan foreign minister said that the UNITA actions currently are restricted to some districts far from the capital, but the group soon will have to negotiate with the government:

[Begin Van-Dunem recording] The UNITA must be completely demilitarized and it must, either willingly or not, turn in all its weapons to thus create conditions—[changes thought] because we are very interested in the existence of a strong, sure opposition that may guarantee the strengthening and consolidation of democracy in our country. We do not think that democracy can exist without an opposition capable of stimulating democratic development. This is why we are interested in demilitarizing the UNITA and eliminating its military branch. We nonetheless want to save its political branch so that it will participate in the democratic action of our country. [end recording]

Minister Van-Dunem asserted that the Brazilians who remained in Angola are completely out of danger.

Government Preparing Proposal To Increase Revenues

PY0511001092 Sao Paulo FOLHA DE SAO PAULO in Portuguese 29 Oct 92 p 9

[Article by Clovis Rossi]

[Text] The government's economic laboratories are in the process of creating a daring proposal for a fiscal adjustment which will stir up a heated polemic in Congress, and will allow the federal government to collect between $8 to $10 billion—practically the amount necessary to pay off the deficit of the public treasury.

The idea is to suspend, for a year, all fiscal incentives (rewards, subsidies, etc.)—a mechanism whereby the government fails to collect taxes, benefitting regions or specific segments, or facilitating the projects of private entrepreneurs.

According to the government's preliminary calculations, the suspension of fiscal incentives will allow the federal government to increase its revenues by 20 percent to 25 percent. In other words, without creating a single new tax or increasing the percentage of the existing taxes, the government would have such a large additional income.

The government is being very discreet about its project, as it is aware that it will stir up a small or big polemic in Congress, especially among the north and northeastern blocs.

Sudam [Amazon Regional Development Superintendency] as well as Sudene [Northeast Development Superintendency] greatly depend on these incentives for their regions. The northern and northeastern legislators will, therefore, hardly accept that the resources for these regions be cut back.

This year the Manaus Free Trade zone alone will use approximately $2.5 billion of the fiscal incentives corresponding to the IPI [tax on manufactured goods].

The government has already drafted the arguments it will use to defend itself from the unavoidable polemic the proposal will stir up.

1. It would be a temporary suspension (only one year). If the legislators are willing to approve the tax on financial transactions [ITF], that will also be implemented temporarily. Why would they not agree to another temporary proposal which instead of increasing taxes, increases revenues?

2. It would be the appropriate time to review fiscal policy, and decide which fiscal incentives should be reinstated in 1994, and which should definitely be eliminated when the Constitution is reviewed next year.

There is also an eminent political argument that may be used: Fernando Collor's government program provided for the elimination of subsidies and fiscal incentives, which the suspended president had started but in which he was interrupted. If Collor was elected for his program, this means that the electors also approved the elimination of tax incentives.

The economic scope of the proposal being discussed may be assessed by the federal revenue data regarding the consolidation of fiscal incentives this year. Last April, when fiscal incentives were consolidated, they amounted to $7.764 billion, which represents 26.60 percent of the collected federal taxes.

The fiscal incentives represent 1.88 percent of the gross domestic product.

This percentage does not include the fiscal incentives granted by the states, which would push the figure up to approximately $8 billion-$10 billion, according to the government's preliminary studies.

The idea of suspending tax incentives seems to be the only alternative capable of squashing the idea of creating the ITF.

The government has already realized that there is not enough time, until the end of the year, for Congress to approve any constitutional amendment the executive branch may propose. The most the government could do would be to support a proposal already being discussed in Congress.

The thing is that President Itamar Franco continues to firmly oppose the idea of creating the ITF, whioch will only be taken into consideration again if Congress rejects a broad fiscal reform.

According to one of the members of the government's economic team, who prefers to remain anonymous, they hope for the time being that the "ideas will surface" within Congress regarding the fiscal adjustment. After this, the executive branch will submit its own proposals on the subject, and among them the suspension of fiscal incentives.

Witnesses Begin Testimony Before Senate Committee

PY0411234692 Brasilia Voz do Brasil Network in Portuguese 2100 GMT 3 Nov 92

[Text] The special Senate committee today began hearing testimony from the defense and the accusing party in the process against suspended President Fernando Collor. Businessman Najun Turner and Collor's former private secretary Claudio Vieira were the first to testify. Vieira said he is responsible for the renovations of the Casa da Dinda [Collor's private residence] paid for with resources from the Uruguay operation.

The first to testify was Najun Turner, who said he knew nothing about the Uruguay operation, and confirmed that he had merely signed a contract with Claudio Vieira for the purchase of 318 kg of gold. Turner also said he had deposited money several times in ghost accounts on orders from Vieira, but without knowing they were irregular accounts.

In turn Claudio Vieira, who testified after Turner, confirmed the Uruguayan operation, but once again did not produce the original contract. He said he will present it only before a court where he is being tried for forgery of documents. Vieira said he is responsible for the renovations of the Casa da Dinda which, he said, cost $1.1 million, and which were paid for with resources from the Uruguay operation, which also provided money to pay the personal expenses of the president.

Vieira said he did not order anyone to open ghost accounts, and the only account he used to pay the expenses of the president was that of secretary Ana Acioli.

Vieira also told the senators he does not know about any surplus campaign funds. As a treasurer, he said, he only administered the official donations to the PRN [National Reconstruction Party] and afterwards transferred this responsibility to Paulo Cesar Farias.

It must be recalled that suspended President Collor alleged in his defense before the Federal Supreme Court that he had used surplus funds from his presidential campaign to pay personal expenses.

Minister Defends Foreign Capital Participation

PY0411121292 Rio de Janeiro O GLOBO in Portuguese 31 Oct 92 p 25

[Text] Belo Horizonte—Mines and Energy Minister Paulino Cicero yesterday defended a greater participation of foreign capital in the privatization process. Cicero said it is absurd to have constitutional prohibitions on private capital in some productive sectors, especially mining, while some automobile companies are 100 percent run by foreign capital.

He said: "I support the return of foreign capital in mining. If foreign companies can currently make automobiles and invest in laboratories that make medicines, why can they not participate in mining research?"

Although acknowledging that the Pao de Acucar hill is national patrimony for tourism, Cicero commented that if it were to be transformed into crushed rock for construction it would be worth $200 million.

He added: "No one wants to topple the Pao de Acucar. But we cannot treat all reserves in the same way. We need money for exploration. Why not attract foreign capital to research our reserves."

Cicero said, however, that the sectors that are considered strategic (oil, radio active minerals) should not allow foreign capital, which is a current regulation. For other sectors, however, Cicero advocates a constitutional revision.

Franco To Launch Two Economic Plans

PY0411175792 Madrid EFE in Spanish 1554 GMT 4 Nov 92

[Text] Rio de Janeiro, 4 Nov (EFE)—Interim Brazilian President Itamar Franco will implement two economic plans that seek to reactivate the country's production, which has been undermined by a decade of recession, and to close the social gap to prevent upheavals.

Planning Minister Paulo Haddad today made it clear that the plans do not include any new shock measures such as those implemented by Presidents Jose Sarney (1985-1990) and Fernando Collor (1990-1992). He added that these plans will set the course for President Franco's economic policy.

The government will disclose its first plan, which is aimed at short-term objectives, on 6 November. The second plan, which will contain medium- and long-term objectives, will be released on 10 November.

The first plan seeks to curb inflation and improve the standards of living of the less fortunate social strata, while the second plan, tied to the congressional approval of an in-depth fiscal reform, will seek to improve production and to implement emergency social programs.

The two plans will pave the way for renegotiating the target of the economic adjustment agreed upon with the IMF. The agreement was signed in December 1991 but was not implemented for various reasons.

The first plan is almost entirely focused on reducing inflation, which reached 26 percent in October, changing the law on salaries, gradually reducing interest rates, and firming up the current exchange policy.

Haddad said: "Our objective is to reduce poverty in Brazil. To accomplish this, however, we must first get rid of inflation." He explained that the government will not reduce salaries in order to eradicate inflation. By reducing inflation and increasing the purchasing power of the working class the government expects to close Brazil's worrisome social gap. Over three quarters of Brazil's population lives below the poverty line.

Franco has repeatedly acknowledged that poverty and hunger could lead the country to an imminent and dangerous social upheaval, signs of which can already be seen in the violent attacks that shantytown dwellers have staged on beaches, squares, and supermarkets all over the country.

The planning minister said the austere monetary and fiscal policy will not change, but government funds will be rechanneled toward social programs.

Through the approval of the in-depth fiscal reform that the president will submit to Congress this week, the administration seeks to curb tax evasion, significantly improve its income, and secure the funds that it now lacks.

Haddad has acknowledged that the administration has barely enough money to pay the government payroll this year and it has been compelled to cut all scheduled investments in social programs and infrastructure.

Increased revenues will allow the administration to implement the second economic plan, which is aimed at recovering the productive capacity of the country and at struggling against recession.

The second plan provides for investments in productive activities and in social programs to eradicate poverty, especially in the shantytowns of large cities, through the distribution of basic staples, job development, and by transferring the responsibility for low-income housing development to local municipalities.

Medium-term targets include changes in the privatization of state companies and the continuity of the policy of modernization and opening the economy to foreign trade.

The new rules for the privatization program, one of Collor's pet projects, will allow for the greater participation of foreign capital and will ensure that payment is made in readily convertible financial assets, instead of domestic debt bonds as has been the case.

The administration will restrict the sale of strategic state corporations (communications and energy) and will make Congress responsible for the entire process.

Planning Minister on Inflation, Foreign Capital

PY0411135692 Rio de Janeiro O GLOBO in Portuguese 30 Oct 92 Economic Section p 19

[Text] Belo Horizonte—Yesterday in Belo Horizonte, Planning Minister Paulo Haddad said that the government hopes to start 1993 with a monthly inflation rate below 20 percent. Following a survey by the Institute for Economic and Administrative Research [Instituto de Pesquisas Economicas e Administrativas - Ipead], Haddad asserted that during the first three weeks of Itamar Franco's administration, inflation dropped by 2.5 percent.

Haddad believes that a lower inflation rate and the consequent interest reduction will bring some relief to industry and commerce. The minister denied the possibility of an inflationary upsurge until December as a result of increased consumption, explaining that a large segment of Brazilian industry is idle—up to 70 percent—and, therefore, there is no reason for excessive price increases.

Haddad added: "Businessmen know that if they push their prices too high, they will not be able to sell their products."

Optimistic about the work of the government's economic team, Haddad said that international organizations are resuming contacts with Brazil and that foreign capital is beginning to pour into the country. The minister said the IBRD [International Bank for Reconstruction and Development] will disburse some $600 million for projects such as the Tiete River, in Sao Paulo, and the widening of the Fernoa Dias highway.

Haddad said: "The fact that we have democratically pulled out of the political crisis and that we are honoring our commitments is a positive sign for Brazil." He added that this year the country will pay the equivalent of $1 billion in renegotiating interest that relates to 1989 and 1990.

Haddad disclosed that Brazil will ask the IDB [Inter-American Development Bank] and the IBRD for approximately $3 billion to finance projects in 1993. The Brazilian matching funds are already being budgeted, but the minister recalled that some will be provided by the states. The states of Ceara, Minas Gerais, Santa Catarina, and Parana, are in a relatively good shape, financially speaking, said Haddad.

Chile

Government Officials Comment on Clinton Victory

PY0411182692 Santiago Radio Chilena Network in Spanish 1600 GMT 4 Nov 92

[Excerpts] The Chilean Government trusts that the new U.S. administration will continue to negotiate a free trade agreement between our two counties. This was pointed out by Minister Enrique Correa, secretary general of government, who added that the government was pleasantly surprised by the U.S. electoral process.

Correa said he expects President-elect Bill Clinton will continue to stress the U.S. approach toward Latin America.

[Begin recording] The Chilean Government has special hopes of continuing to negotiate a free trade agreement similar to that agreed upon between President Patricio Aylwin and President George Bush. [end recording]

Foreign Relations Under Secretary Edmundo Vargas said he does not believe there will be great changes in U.S. foreign policy. Vargas said that even though Clinton has not spoken about the free trade agreement, we cannot see any reasons why the negotiations should not continue. [passage omitted]

Finance Minister Alejandro Foxley said the Americas Initiative is alive and well. Despite this we will have to wait for some time until we can talk with the Clinton Administration, Foxley said.

The minister said relations with the Democratic Party have been excellent because of its support during the military regime. I think they will be reactivated politically as well, Foxley said.

Government, Opposition on Victory

PY0511021492 Santiago Television Nacional de Chile Imagen Internacional in Spanish 2330 GMT 4 Nov 92

[Text] The results of the U.S. elections yesterday created all kinds of repercussions here in Chile. The government and the political leaders of the Coalition of Parties for Democracy expressed optimism over the effects Democrat Bill Clinton's election will have on Chile. The opposition leaders, however, were more cautious in their optimism.

[Begin recording] [Foreign Minister Enrique Silva Cimma] We remain calm because U.S. policies, in general terms, will be maintained. Furthermore, there always has been a very good relationship between Democratic Party leaders and our political leaders. The

Democrats' policy always has been a policy of rapprochement between the United States and Latin America.

[Christian Democratic Party President Eduardo Frei] The election of a new president should not affect relations because the United States has an overall policy. The United States is a country that supports the opening of international markets. There may be some delay because the new administration will take over late next January and the new officials will have to become familiar with the issues. But we can clearly say that we have great friends in the Democratic Party, and if necessary we will do everything that is necessary at the political level to get our relations moving.

[National Renewal President Andres Allamand] I believe there is no doubt that looking at the U.S. elections from the perspective of Chilean commercial interests, a victory by President George Bush would have been better. The Republican Party is a party more open to the practices of free trade than the Democratic Party, which has always had a tendency toward protectionism. But the United States is a very stable country and I hope no big differences will emerge.

[Education Minister Ricardo Lagos] I believe Clinton also advocates a policy of free trade. I believe many of his advisers have expressed their desire to maintain free trade with Chile, therefore, I believe there will not be a stop to that.

[Independent Democratic Union President Jovino Novoa] I believe the position of President-elect Bill Clinton on free trade is positive. I do not know what his position will be on the fruit problem. In any case, given the current state of international relations, and although it is true that countries are very dependent on the commercial and economic aspects and independent in the political aspect, I believe the election of a new U.S. president will not bring any dramatic change for our country.

[Senate President Gabriel Valdes] I do not yet see that it will bring any changes to Chile. What I would like to see is a prosperous United States. The important things for Chile are not the minor issues. We will get nothing from a commercial agreement with the United States if that country is in decline. On the contrary, that type of agreement can be very bad. We are interested in an association with a prosperous United States. The first thing will be to see if the new government will be capable of leading the United States to greater growth and to give that country back its vigor, because the well-being of the American people is good for Chile. [end recording]

Foreign Service Begins 'Deep Restructuring'

PY0411235092 Santiago EL MERCURIO in Spanish 25 Oct 92 pp A1, A15

[Excerpts] The Foreign Ministry has begun a deep restructuring of the Chilean foreign service. The measure, which seeks to improve the use of human and economic resources, will represent a savings of more than $2 million, which may be reallocated to increase the salaries of the employees of this ministry.

According to Foreign Minister Enrique Silva Cimma, these changes will not affect the Chilean commercial network abroad, and they are in keeping with the government's objective of attaining a more modern and professional diplomatic service to meet the new needs of the changing world. [passage omitted]

The foreign minister said that in order to make his ministry more efficient the staff abroad has been reviewed, as during the past two and a half years of his administration he had observed that some missions abroad were overstaffed, and some embassies needed a readjustment.

It is necessary to maintain a service reciprocal with the bilateral ties and in keeping with the importance Chile wants to give to its representations in some countries, and to specific sectors of the international diplomatic structure, Silva Cimma said. All this must be in keeping with Chilean priorities in the field of international policy and economic relations.

One of the problems that forced him to consider this restructuring, Silva Cimma said, was the social and economic situation faced by many Chilean diplomats abroad whose salaries, in comparison with those of other foreign diplomats, were falling and were meeting their needs. [passage omitted]

Another aspect of the restructuring, Silva Cimma said, was to consider the merging of some embassies, because in some countries there were two Chilean ambassadors. An example of this is Uruguay, where there is a representative before the government and another before the ALADI [Latin American Integration Association]. These tasks will now be carried out by the same person.

There have also been changes in some general consulates which were being headed by ambassadors, whereby they would be sent to other countries where their presence is required. Such ambassadors will be replaced by officials more in keeping with the consulate rank. [passage omitted]

Newspaper Director Gets Suspended Prison Sentence

PY0411180192 Santiago LA TERCERA DE LA HORA in Spanish 23 Dec 92 p 7

[Excerpt] The Chilean Government has labeled "significant" the ruling of the Santiago Appellate Court which sentenced Mario Urzua, the director of the newspaper EL PAIS, to 541 days in prison.

The trial and sentence were the result of a suit filed by the Interior Ministry over a front page of EL PAIS that carried the photographs of three congressmen under the headline "Shameless."

The prison sentence of 541 days is suspended. According to Interior Ministry Legal Adviser Jorge Burgos, this means Urzua will not be imprisoned. Instead he will have to sign in at the Parole Office every day and will be unable to hold a public post for the duration of his sentence. [passage omitted]

Colombia

Gaviria Expects Good Ties With Clinton Government

PA0411172192 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 1638 GMT 4 Nov 92

[Report by Mabel Vargas from Cartagena]

[Text] In Cartagena, President Cesar Gaviria spoke optimistically about what Colombia can expect from Bill Clinton's victory. Colombia confidently expects Clinton's election to ensure the continuation of the good relations between the two countries.

[Begin Gaviria recording] There is a firm U.S. policy on drug trafficking. In the U.S. Congress, there will be a new interest on rehabilitation of drug addicts and the struggle to reduce the demand for drugs. Regarding Colombia and its interdiction role, which is essential for any successful effort against drug trafficking, I am sure close cooperation with the U.S. Government will continue. We are confident Latin America's good relations with the United States in the past few years will be consolidated during Clinton's administration. We have had a good understanding with the administration of President Bush and have cemented a good relationship with the representatives of the two parties at the U.S. Congress. [end recording]

Government Officials on U.S. Election

PA0511011592 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 4 Nov 92

[Report by Raul Gutierrez; passages within quotation marks are recorded]

[Text] In Colombia there is great expectation about the election of Bill Clinton as the new President of the United States. How will he handle the Colombian issues? What policies will he follow? When seen from a political angle, Colombia has maintained good relations with Republicans and Democrats alike. Foreign Minister Noemi Sanin therefore believes there will be no difficulties.

[Sanin] "We are certain and confident that relations will continue as they are with President-Elect Clinton."

More than uncertainty, there are questions about the economic issues. As Clinton is expected to clean house first, Ricardo Avila, the president's economic adviser, believes this will not only be achieved with protectionist measures.

[Avila] "As the U.S. economy recovers, so will the prices of our raw materials and manufactured products, which we are selling on their market."

Foreign Trade Minister Juan Manuel Santos admits that there will be adjustments in free trade, but no major changes will be made.

[Santos] "Today, there is very little elbow room for a government—not only the U.S. Government but that of any country—to make radical changes to a given policy, especially on commercial issues, in an increasingly interdependent world."

It is about coffee that there are the most doubts. Colombia only believes in the agreement between the producer and consumer countries.

[Jorge Camargo, manager of National Federation of Colombia Coffee Growers] "The Coffee Pact is not only the result of the efforts of an administration, such as the Bush administration, but is shared by the U.S. coffee industry. They are now a part of this negotiation process."

President Cesar Gaviria has no doubts about future relations with the United States and Bill Clinton.

[Gaviria] "He will give leadership to the world; a leadership that derives from the new economic and international role the United States now plays."

How several key events unfold will determine when and how certain relationships between Colombia and the United States will have to change in the Clinton era.

Governors, Ministers Hold Summit on Security

PA0411023692 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 3 Nov 92

[Text] The government, in coordination with 32 governors assembled today in Santa Fe de Bogota, decided to institute new measures to counteract guerrilla actions throughout the nation. There will be more funds for the department's security institutions and the number of soldiers will be increased in certain regions.

The governors' summit with the national government did not last a matter of hours; it lasted all day long behind closed doors. The governors, together with Defense Minister Rafael Pardo and Government Minister Humberto de la Calle, the director of the Administrative Department of Security, and high-ranking military officers, analyzed the public order situation. For starters, both sides made commitments and agreed to cooperate. New measures were also taken to increase the funds for departmental security institutions with a contribution of 2 billion pesos to support the public forces in areas of conflict. These funds will be managed by the governors to give support to the Armed Forces. Here is what Government Minister Humberto de la Calle said:

[Begin De la Calle recording] The funds have a specific aim, that is, to give support to the public forces. We are

specifically making reference to fuel, [word indistinct], logistic, and operating support to the public forces. Also, the second aspect is very important: the construction and refurbishment of police garrisons. [end recording]

In addition, private security organizations will be created by rural and urban enterprises and the number of soldiers will be increased throughout the territory.

[Begin Defense Minister Rafael Pardo recording] Nine Antiextortion and Kidnapping Units will be created from now until January. Six new counterterrorist battalions, comprised of professional soldiers, will start operating at the beginning of January. [end recording]

During the summit, the government mentioned the need to speed up the draft bill on exceptional measures to legally combat the [security] problem. Nevertheless, some governors do not agree with some of the articles.

[Begin recording unidentified governor] We have made some observations on Article 23 which deals with the governors' possible suspension at a given time. [end recording]

Another agreement reached at this governors' summit was to continue with the measures guaranteeing intermunicipal transportation, and, in addition, to outline plans to counteract piracy on the highways.

Commission on Responsibility in Escobar Escape

PA0411045392 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 3 Nov 92

[Text] The conclusion of the report by Jorge Valencia, coordinator of the Senate commission investigating the events that led to Pablo Escobar's escape on 21 July from the Envigado jail, is that everyone involved is responsible—some to a greater extent than others.

In 109 pages, Jorge Valencia presented his report. The same was delivered to the commission members who have the last word tomorrow on how the Senate should proceed with regard to the persons who are considered responsible for the escape. Here is what Jorge Valencia said:

[Begin Valencia recording] President Gaviria, in general, does well in the report, to a certain extent. This does not mean, however, that the report does not place a certain level of responsibility on the president. [end recording]

Based on this, the climate does not exist to bring President Cesar Gaviria to trial for responsibility. Nevertheless, Senator Fernando Mendoza said that during the whole surrender process by the drug traffickers, the conditions at the jail and the transfer of the prisoners were linked.

[Begin Mendoza recording] I think he should be brought to a political trial by the Congress, although it will be the whole nation that will be trying him, as public opinion....[end recording]

The report includes some mention of levels of responsibility. Former Justice Minister Jaime Giraldo is considered responsible to some degree, with regard to the conditions granted for the criminals' surrender. Another former justice minister, Fernando Carrillo, came out worse; he was blamed for all the irregularities at the Envigado jail, and Defense Minister Rafael Pardo was considered responsible, to a large degree, for the military operation that led to the 22 July escape.

[Begin Senator Jaime Fernando Botero recording] I beieve there is penal and administrative responsiblity involved here. Moreover, there is an ongoing investigation at the Attorney General's Office and another one at the General Prosecutor's Office. [end recording]

The report by Valencia does not include any sanctions' proposals, but it does make 29 recommendations, among them, the appointment of a [drug] czar or a special counternarcotics minister.

Ecuador

Duran-Ballen Comments on Clinton Victory

PA0411191492 Paris AFP in Spanish 1649 GMT 4 Nov 92

[Text] Quito, 4 Nov (AFP)—Ecuadoran President Sixto Duran-Ballen on 4 November said Bill Clinton's election begins a waiting period for Latin America because the new U.S. president has said very little about his foreign policy for the region.

"We are waiting to see what President-Elect Bill Clinton's administration will do regarding Latin America and what its general foreign policy will be because he has said very little about the problems Latin America is facing," Duran-Ballen told EL UNIVERSO.

According to Duran-Ballen, Clinton's win also raises questions about Ecuador's progress in receiving new loans and negotiating its foreign debt. Duran-Ballen believes, however, that most international aid mechanisms will remain unchanged.

Duran-Ballen said foreign debt negotiations will depend more on private international banks than on the stance adopted by the U.S. Government.

Commerce Minister on Elections

PA0411155292 Quito Voz de Los Andes in Spanish 1200 GMT 4 Nov 92

[Telephone interview with Mauricio Pinto, minister of industry, commerce, integration, and fisheries, by unidentified reporter in Quito—live]

[Excerpt] [Reporter] Good morning Mr. Mauricio Pinto, minister of industry, commerce, integration, and fisheries. Thank you for accepting this interview. Obviously, we would like to hear your first reaction to Bill Clinton's victory in the United States.

[Pinto] Thank you for the interview. Mr. Clinton's victory was predicted. I do not believe it will change the relations between Ecuador and the United States substantially and I do not think there will be a change that should worry the country right now.

[Reporter] Would the change be positive, in any case?

[Pinto] We hope so. What we should really do is react inside the country. We must seek more efficiency and work better to develop better opportunities.

[Reporter] There is some concern about what President Bush has not completed. For instance, the Enterprise for the Americas Initiative and the law for preferential tariffs for Andean countries. Will these topics be followed or be continued by President-Elect Clinton?

[Pinto] I believe they will continue. President-Elect Clinton has also supported the North American Free Trade Agreement with Mexico and Canada. We must work to solve problems so the tariff advantages for the Andean countries can also be applied to Ecuador. As you know, at the present time, those advantages are not being applied to Ecuador due to the problem of Ecuadoran Electric Power Enterprise.

[Reporter] Should Ecuador insist or will Ecuador insist on seeking a free trade agreement with the United States?

[Pinto] Yes, but we must do it in stages. We have already carried out the first stage. It is working, and we will see the results in approximately six months. Then we have the second stage, which is Venezuela. We are negotiating, or starting the negotiations to include ourselves in the Group of Three [Mexico, Colombia, and Venezuela]. We have Chile in sight and, in the future, we will try the United States. [passage omitted]

Paraguay

Gen. Oviedo Urges Bernal Remain in Service

PY0411230992 Asuncion ABC COLOR in Spanish 4 Nov 92 p 10

[Text] According to military sources the 1st Army Corps commander, Division General Lino Cesar Oviedo, reportedly conditioned his participation in the Armed Forces' board of promotions to having General Eumelio Bernal designated defense minister and to his continuation in active Army service.

According to the information received, Gen. Oviedo reportedly set forth his position concerning the situation of Gen. Bernal, who had been unexpectedly relieved from his post as chief of staff by President Andres Rodriguez, during the first meeting of the promotion board, held on 26 October 1992 at the Armed Forces headquarters.

According to our source, at that meeting the 1st Corps commander reportedly conditioned his participation in the promotion board to keeping Gen. Bernal in active service and fulfilling the promise to name him defense minister.

The report adds that Gen. Oviedo said firmly and loudly that he would remain on the board if this condition was fulfilled. The report adds that none of those present in the meeting hall dared to make any comment when Gen. Oviedo said that a great injustice would be committed against Gen. Bernal if his retirement from the Armed Forces was allowed.

According to the same source Gen. Oviedo reportedly said that if this condition was not fulfilled, he would leave the board to "work at the 1st Army Corps."

Our source added that for this reason the possibility that Ambassador Jon Glassman had reportedly had influence over the treatment of the "Bernal case" had been totally ruled out, and that it was Gen. Oviedo who spoke in favor of the infantry general.

It is appropriate to recall that while the promotion board meeting ended at 1630, at the end of that meeting the commander in chief, General Rodriguez, held another meeting behind closed doors with Generals Oviedo and Regis Romero.

Nothing has been learned about the results of that meeting among the generals considered to have the most influence within the Armed Forces, although there was speculation that they talked about the conditions imposed by Oviedo for remaining on the board.

Gen. Bernal's situation is still uncertain within the Armed Forces. It is repeatedly said that the promotion board will decide on his retirement, but there are other rumors that he will be confirmed as defense minister, a post he had been offered by the president of the Republic.

However, concerning this proposal, a high-ranking officer said that Rodriguez had promised him that post as a civilian, and not as commander in chief, implying that the offer made to Bernal could be avoided.

In addition, Gen. Oviedo received the day before yesterday a visit from a delegation of Bolivian military officers, students of the Higher Military Studies School of Bolivia, at the 1st Corps site. The Bolivian officers were headed by Division General Victor Vargas.

Bernal Appointed Defense Minister

PY0511171892 Asuncion Cerro Cora Sistema Nacional de Television Network in Spanish 1510 GMT 5 Nov 92

[Excerpts] President Rodriguez this morning signed a decree according to which General Eumelio Bernal is appointed defense minister; he replaces General Angel Souto. The decree is also signed by Interior Minister Orlando Machuca Vargas.

[Begin recording Information and Culture Director Guillermo Yaluff, in progress] ...Decree No. 15411,

according to which Division General Eumelio Bernal is appointed defense minister. He replaces Brigadier General Angel Souto.

The decree states that a new defense minister must be appointed to replace Brig. Gen. Angel Souto, who will be appointed to another government post. [passage omitted] [end recording]

The Executive Branch this morning asked Congress to approve the appointment of Gen. Angel Souto as Paraguayan ambassador to Spain. [passage omitted]

President 'Satisfied' With Clinton Victory

PY0411184692 Asuncion ULTIMA HORA in Spanish 4 Nov 92 p 7

[Text] "I do not think that U.S. policy on Latin America will change with Clinton's victory. Of course, Paraguay is part of Latin America, but I sincerely do not think it will change," General Andres Rodriguez told Cesar Cardozo, Voice of America spokesman, last night at the U.S. Cultural Center after learning of Clinton's win.

"It is one of the most interesting elections held in the world's leading democracy," Rodriguez said.

Answering the Paraguayan press about his feelings regarding the seven months he has left in power, Rodriguez said: "I also would like to be experiencing the emotion of knowing who my successor is. You surely will be speaking with Rodriguez' successor on 9 May and not with me."

Rodriguez did not mention which of the two U.S. candidates he preferred, but it was understood that he was satisfied with Clinton's victory.

"I have great respect for the American people and believe that they know what is best for them," the president said.

Rodriguez admitted that U.S.-Paraguayan ties were excellent during the Bush administration, saying: "Paraguayan-U.S. ties were excellent during the Bush administration because we knew each other personally, and the United States helped our country on several occasions in times of need."

Sends Congratulatory Message

PY0411234892 Asuncion Cerro Cora Sistema Nacional de Television Network in Spanish 2305 GMT 4 Nov 92

[Text] The following is the text of the message that President General Andres Rodriguez sent to U.S. president-elect Bill Clinton a few minutes ago:

On behalf of the Paraguayan people and government, I wish to express our most sincere congratulations to you on your victory in the U.S. presidential elections and our best wishes of prosperity for your country and our relationship.

Signed: Andres Rodriguez. November 4, 1992.

Peru

President Fujimori Stresses Elections on Schedule

PA2910173492 Lima Global de Television Network in Spanish 0100 GMT 29 Oct 92

[Text] The Democratic Constituent Congress elections will invariably take place on 22 November, President Alberto Fujimori stated. He also made reference to the poll results. Here is what President Fujimori said:

[Begin recording] [Fujimori] We have a commitment to all Peruvians and even to international organizations, to strictly comply with the electoral timetable. There will be no variation whatsoever with regard to the established date. The elections will be held, no matter what, on 22 November, as scheduled. It is necessary, of course, to make some additional efforts, that is, polishing up the last details at the National Electoral Board, as well as at the political party and independent movement level, so we all will be ready for 22 November. Nevertheless, there are no changes in the date.

[Unidentified reporter] What do you have to say about the Change 90/New Majority lead on the lists?

[Fujimori] You mean that they are ahead in the polls? I believe the polls demonstrate there is still no massive participation, because 20-30 percent of voters are undecided. I believe this is normal. It is said that Change 90/New Majority lead the polls by 35 percent, other results indicate 39 percent. Recently, I was in the countryside, not in Lima, and at a simple glance—you too can see this—I saw much a much greater lead than that. [Fujimori chuckles to himself].

I do not want to speak too soon... [pauses] even the companies that have always acted impartially, or in opposition, indicate that over three quarters of the citizens openly favor the government. Obviously if Change 90/New Majority represents the government in the elections and represents President Fujimori, in no way can that support be 30 percent; it has to be much higher. [end recording].

Reaction To Clinton's Presidential Victory Noted

Fujimori Sends Congratulations

PA0511043892 Paris AFP in Spanish 0418 GMT 5 Nov 92

[Text] Lima, 4 Nov (AFP)— Peruvian President Alberto Fujimori sent a congratulatory message to U.S. President-Elect Bill Clinton on 4 November. In the message, he expressed "sincere hopes that his administration will bring about prosperity and stability for his country."

In his message, Fujimori noted that it is "pleasant to express the best intention of my government to continue working jointly for the benefit of our bilateral relations,

and for the sake of peace, development, and integration in the nations of our continent."

The message, which was released by the Government Palace in Lima tonight, added that Clinton's electoral victory "reaffirms the great democratic tradition of the United States."

Economy Minister Expects No Major Change

PA0511032292 Lima Global de Television Network in Spanish 0100 GMT 5 Nov 92

[Text] For Economy Minister Carlos Bolona, relations between the United States and Peru will not suffer any major changes with the election of Bill Clinton. Any changes would probably be limited to more specific orientation in the fields of human rights or drug trafficking. The minister also said he does not believe the United States will change its decision to head the support group, which includes Japan, and added that he will negotiate the country's foreign debt with Bill Clinton.

Politicians, Officials, Experts Comment

PA0411195492 Hamburg DPA in Spanish 1634 GMT 4 Nov 92

[Text] Lima, 4 Nov (DPA)—Peruvian politicians, officials, and international experts expressed contradictory views about what effect the election of Democrat Bill Clinton as new U.S. President will have on the country.

Carlos Bolona, economy and finance minister, was the first official to express himself on the topic. He said we must be prepared to negotiate with the new president, although previously he had not concealed his position favoring George Bush's victory.

Experts of different ideologies agreed that relations between the United States and Peru will not change much with the new administration, although they recalled the alleged economic protectionism of the Democrats and their great concern over human rights affairs.

Former military dictator General Francisco Morales Bermudez, whose term (1975-80) coincided with Democrat Jimmy Carter's administration, said there were no problems then and there is no reason to believe there should be any with Clinton.

Retired General Morales Bermudez insisted that Latin America should adopt a common stand in its relation with the power in order to become a stronger interlocutor.

Enrique Bernaldes, former president of the UN Commission on Human Rights, said great changes should not be expected, but he did note that Clinton might show more interest in strengthening democracy in Latin America.

For Henry Pease, former leftist presidential candidate, the victory of middle-of-the-road Clinton represents a strong blow to the neoliberals of Peru, especially for Bolona, who was the proponent of the existing austere economic plan.

Eduardo McBride, president of the National Association of Exporters, expressed concern with Clinton's victory and recalled that Clinton had said that the United States should not help countries to promote exports to the U.S. market.

Jorge Gonzalez, one of Peru's most prominent economists, said the change in the United States might be advantageous in view of the increased social sensitivity of the Democrats, but it also might bring problems because the Democrats are less inclined toward the free trade and tariff reduction strategy.

Peruvians in general, however, do not have clear ideas about what might occur in key issues of bilateral relation, such as economic aid or the drug trafficking struggle.

None of the candidates touched on foreign policy during the political campaign, much less on Latin America. This was not to show disdain but was due to voters' concerns about the domestic economic situation, Charles Brayshaw, U.S. Embassy official, stated.

All Peruvians observed with special interest the U.S. electoral process, and on 4 November the media widely covered the topic.

List of Shining Path Members Operating in London

PY0511014492 Lima EXPRESO in Spanish 29 Oct 92 p A4

[Text] The following is the list of groups and names of Shining Path members who, from London, sought financial support for the Shining Path's activities:

Groups

A. Group of Support to Peru (headquartered in London).
B. Sol Peru committee.
C. Internationalist Revolutionary Movement (MRI), headquartered in London.

Terrorists

A. Adolfo Hector Olaechea Cahuas (Sol Peru Committee in Great Britain).
B. Cesar Augusto Sotero Alejos (promoter in London).
C. Carlos Calderon Torralba.
D. Oswaldo Edwin Buchuck Gil.
E. Nancy Rocio Buchuck Gil.
F. Judy Condor.

Police Capture Shining Path Leader Estaba Alfaro

PY0511021692 Lima LA REPUBLICA in Spanish 29 Oct 92 p 4

[Text] The top Shining Path military chief in Pativilca and head of the annihilation squad that killed the Pativilca mayor and four other Pativilca District officials was captured by National Police personnel and is another strong candidate to be sentenced to life imprisonment by a military court.

Pedro Estaba Alfaro, alias "Comrade Tono," was caught by surprise at 1800 on 27 October while he was planning

to commit a series of terrorist attacks in the city of Barranco, north of Lima. Nevertheless, the PNP [Peruvian National Police] General Directorate confirmed his capture only yesterday.

The Shining Path leader has been wanted by the authorities since 11 August 1991, that is, the day he killed Pativilca Mayor Carmen Velasquez Copara in a cowardly fashion. The subversive admitted that he committed that crime.

The subversive reported to police the other members of the Norte Chico [a Lima district] annihilation squad. They have been identified as Angel Christian Perez Castillo, alias "Juan;" Cesar Cervantes Espinoza, alias "Gustavo;" Rolando Trujillo Ruiz, alias "Rolando;" and the individuals known as "Martin" and "Leon." The capture of these terrorists is imminent.

The identified subversives, as well as their leader, also have been held responsible for the killing of PNP Lieutenant Duslen Tapia Segovia and PNP Corporals Paulino Carrion Ordonez, Lorenzo Roman Vasquez, and Erick Zapata Alarcon.

Police reported that the subversives also participated in the killing of the brothers Teofilo and Leoncio Castillo Vega.

Uruguay

Minister Praises U.S. Election System, Joint Ties

PY0411192092 Montevideo Radio El Espectador Network in Spanish 1500 GMT 4 Nov 92

[Text] Foreign Minister Hector Gros Espiell said that he firmly believes that relations between the United States and Uruguay—indeed, between the United States and Latin America—will remain excellent after Bill Clinton's victory. Gros Espiell expressed the Uruguayan Government's deep satisfaction with the fact that the U.S. democratic system works well. Gros Espiell said it is expected that relations with the democratic administration will be marked by broad understanding and dialogue. Gros Espiell told El Espectador's "In Perspective" program this morning:

[Begin Gros Espiell recording] First, I would like to comment on something that has a bearing on everything that may be said on the subject, namely the normal functioning of an electoral system established by the U.S. Constitution. This is the oldest system based on a written constitution, which has been at work since 1787. This election shows that U.S. democracy is alive, constantly renewed, and open to the future.

Second, this democratic system proves the great potential contained in the change, the rotation of political parties in office. Obviously, a democratic system cannot survive without this rotation or the possibility of this rotation through the citizens' participation in free elections.

Third, U.S. democracy has been invigorated by these elections, which were marked by a significant growth in voter participation. Even though I cannot provide precise figures, most reports seem to agree on the fact that the downward trend of voter participation has been checked, as seen by the good turnout in yesterday's elections, something that is most positive and encouraging.

Finally, we have the international repercussions as seen from outside. I am in no position to advance any ideas about what changes may be in the offing. All we have is speculation, and you should go over the statements made by the Democratic candidate before the elections, now U.S. president-elect.

Notwithstanding this, it is my conviction that both relations between Uruguay and the United States and between Latin America and the United States—which are relations between states or countries rather than relations between changing political parties or administrations—will continue on the same basis of excellence. The strong ties of friendship based on solidarity and freedom will be maintained despite the disagreements that may exist, which are negligible compared to the positive achievements. The United States is the No. 1 world power. After the end of the Cold War and the changes that took place in the last few years, I would venture to say that it is the unquestionable superpower in the political and military spheres. Therefore, the elections have a paramount importance in these fields.

I would only like to reiterate the satisfaction of the Uruguayan Government with the optimal and effective functioning of the U.S. democratic system and the conviction that together with the new administration we will be able to find the best course of action that, based on understanding and dialogue, will enable us to work for the benefit of our countries. [end recording]

Venezuela

Perez Rejects Referendum on Presidential Term

PA0511030392 Caracas Radio and Television Networks in Spanish 0139 GMT 5 Nov 92

[Speech by President Carlos Andres Perez at the Miraflores Palace in Caracas—live]

[Text] Venezuelans, the Senate of the Republic has just approved a proposal which I report to the public and which intends to compromise the president in a rash referendum that—if it were held—would misconstrue the 6 December electoral process to elect governors, mayors, and municipal council officials.

The proposal was approved, surpassing the Senate's functions, encroaching on the Executive Branch's functions, and attempting to interfere with the Supreme Election Council's [CSE's] functions. It also represents a violation of the electoral law which clearly establishes the purpose of the 6 December elections.

The proposal textually says: Request that the president of the republic, in his role as head of state, ask the CSE to include a third ballot in the material that will be delivered to the voters on 6 December. The ballot will request the voters' opinion on whether citizen Carlos Andres Perez should continue in the exercise of his post until the conclusion of the term for which he was elected.

As head of state I must respectfully and faithfully abide by the Constitution, and I must zealously implement the decrees issued by the other state branches within the framework of their functions. No reason or pretext can justify the failure to abide by the Legislative Branch's decrees. This is demanded by a legal state in a democratic regime, and each branch must act within its authority and according to the Constitution and the laws.

The request that the president of the republic ask the CSE to hold a referendum to decide if Carlos Andres Perez should continue in the exercise of his post openly violates the Constitution and threatens the stability of the institutions that the Constitution guarantees by establishing a term for public posts. This constitutional period cannot be altered except through amendments to the Constitution.

In an effort to calm national and international opinion, and to reassert Venezuela's institutional stability and strength, I hasten to report to the country that I cannot accept the Senate's requirement for the mentioned reasons. Neither can I ask the CSE to change the electoral system because it violates the law which orders that the 6 December elections must be exclusively held to elect governors, mayors, and municipal council officials. I must strongly deplore this deviation by the Senate, which cannot request that I violate the Constitution or disrupt an electoral process that the law stipulates with the specific goal of separating a regional process from the national elections, and of emphasizing the importance of a unique and important reform which restored the state's electoral sovereignty to elect regional and municipal authorities.

I cannot hesitate in my immediate reaction. I do not avoid responsibilities. This is not a matter of being afraid of an electoral confrontation. This occurred in December 1988, and I won when I was elected to a five-year term. We would establish a dramatic precedent if we asked the people to contradict their own decisions or to violate the Constitution, which is the supreme norm that irrevocably establishes the framework for all our actions. The term that the Venezuelan people granted me according to the national Constitution began on 2 December 1989 and will end on 2 February 1994. The destiny of Venezuelan democracy depends on the head of state's determination and firmness, and there will be no weakness in my conduct. I swore this before my people.

Perez Anticipates 'Good Relations' With Clinton

PA0411184592 Paris AFP in Spanish 1452 GMT 4 Nov 92

[Text] Caracas, 4 Nov (AFP)—It was reported in Caracas on 4 November that Venezuelan President Carlos Andres Perez anticipates his social-democratic administration will have "good relations" with democrat Bill Clinton, winner of the U.S. Presidential election, although other spokesmen expressed fears of the rebirth of protectionism in Washington.

In the 1970's, Carlos Andres Perez was a friend of former Democratic President Jimmy Carter during his first term (1974-1979). Then, at the end of the 1980's, Perez became one of the main Latin American speakers supporting Republican President George Bush—especially his neoliberal economic policies.

Several analysts agree Clinton's victory was due, above all, to the economic frustration in the United States, which weighed more than the victories of the collapse of the communist world or the Persian Gulf War. The analysts also agree that, in this regard, there is a similarity with Perez.

These observers refer to Venezuela's current political and social crisis, worsened by the military uprising of February, which many of Perez' critics blame on his harsh economic adjustment policy.

Former Christian-Democrat Venezuelan President Rafael Caldera, who according to all the polls is favored to win the presidential elections in 1993, disagrees with this policy and said that if Clinton won, as foreseen, it would be a serious setback for economic neoliberalism.

Venezuelan Foreign Minister Fernando Ochoa Antich said the U.S. foreign policy "maintains long-term strategic objectives," although "it is clear that a change of government could represent adjustments in the policies."

Ochoa Antich said he does not believe Clinton's policies will bring "drastic changes" regarding Latin America, although "we will have to wait for the policies of the winner to be implemented to know their consequences."

Commerce officials, who requested their names be withheld, said there could be a reemergence of protectionism in Washington.

Former Venezuelan foreign minister Reinaldo Figueredo, who is very close to Perez, agreed that for Latin Americans and the rest of the countries of the world, "the concepts expressed by President- Elect Clinton places more emphasis on the social aspect in the process of development through economic growth."